

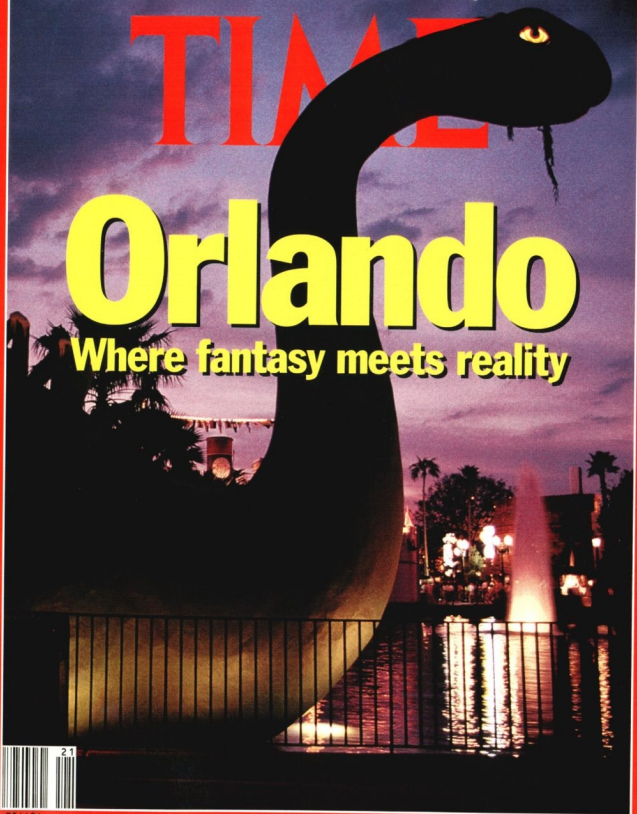
MAY 27, 1991 \$2.50

THE U.S.: Quarrels over Quotas

TIME

Orlando

Where fantasy meets reality



80001

724404 1

In Appreciation for Your Heroic Efforts... "the Thunder and Lightning of Desert Storm."



Thank you, President George Bush.

Thank you to all the men and women of the American Armed Forces... the Army, Navy, Marines, Air Force, National Guard and Coast Guard. Thank you for your dedicated performances. Thank you for defending the ideals your country stands for.

And a special thanks to all your families and the sacrifices they endured. Thank you, America, for your support and encouragement of the allied forces who liberated our country. Our tears of gratitude are now mixed with our tears of grief and joy. We are eternally indebted.

- The State of Kuwait and Its People

From Desert Storm...to Desert Peace

United Nations Coalition

Argentina • Australia • Bahrain • Bangladesh • Belgium • Canada • Czechoslovakia
Denmark • Egypt • France • Germany • Greece • Italy • Hungary • Kuwait • Morocco
Netherlands • New Zealand • Niger • Norway • Oman • Pakistan • Poland • Qatar
Saudi Arabia • Senegal • Spain • Syria • Turkey • United Arab Emirates
United Kingdom • United States

TIME

THE WEEKLY NEWSMAGAZINE

COVER STORY

52 LIVING:**Orlando**

Life imitates Walt in the Southern boomtown fueled by Disney World

20 NATION:**Quarrel over Quotas**

As race tensions rise, politicians posture over a civil rights bill

30 WORLD:**Put Away Those Spears!**

South African black violence may stall talks on a multiracial state

38 BUSINESS:**Come On Down!**

Cities and states are in a feverish free-for-all to lure new employees

**52 / FLORIDA'S FANTASY LAND**

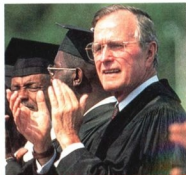
AMERICAN SCENE A calypso beat in button-down New England	14
PROFILE Proposed CIA director Bob Gates is bland, with a bite	46
EDUCATION Catholic schools do it better—and cheaper	48
PRESS The latest trend in cable will please local-news junkies	49
ENVIRONMENT How Kuwait's inferno could cause drought and starvation	50
LAW Should a victim's pain weigh on the scales of justice?	61
HEALTH Food and drug companies beware: the FDA is on the prowl	62
CINEMA A gal-buddy picture is summer's first gem	64
BOOKS What Clark Clifford says (and doesn't say) in his autobiography	66
FOOD See what's cooking at "the other C.I.A."	70
MUSIC Women rappers take the beat onward and upward	71
HISTORY A Bermuda Triangle mystery may be solved	72
ESSAY Charles Krauthammer urges us to hail Columbus	74

DEPARTMENTS

LETTERS 8 **GRAPEVINE** 17 **MILESTONES** 72

COVER: Photograph for TIME by Kenneth Jarecki—Contact Press Images

TIME (ISSN 0040-781X) is published weekly for \$61.88 per year, by The Time Inc. Magazine Company. Principal Office: Time & Life Building, Rockefeller Center, New York, N.Y., 10020-1393. Regional K. Black Jr., President; Joseph A. Rigo, Treasurer; Harry M. Johnston, Secretary. Second-class postage paid at New York, N.Y., and at additional mailing offices. © 1991 The Time Inc. Magazine Company. All rights reserved. Reproduction in whole or in part without written permission is prohibited. TIME and the Red Border Design are protected through trademark registration in the United States and in the foreign countries where TIME magazine circulates. POSTMASTER: Send address changes to TIME, P.O. Box 30601, Tampa, Fla. 33630-0601. For subscription queries, call Customer Service at 1-800-843-TIME (8463). □ □ □ □

**20 / NO CAUSE FOR APPLAUSE****30 / SOUTH AFRICA'S FUTURE**

PHOTOGRAPH BY KENNETH JARECKI—CONTACT PRESS IMAGES

PHOTO BY AP/WIDE WORLD

PHOTO BY AP/WIDE WORLD

TIME

Photography: Julia Richter (Associate Editors), Eleanor Taylor, Karen Zakarias (Assistant Editors)
Makeup: L'egre F. Gayle (Cover), Alison E. Mulvey, Leonard Schulman
Administration: Helga Kralak, Barbara Rabley

WORLDWIDE PUBLISHER: Robert L. Miller
Worldwide General Manager: Barbara M. Mikosko
U.S. Advertising Sales Director: Stephen J. Seabolt
Advertising Sales Managers: Barry J. Bragg

WORLDWIDE PUBLISHER: Robert L. Miller
Worldwide General Manager: Barbara M. Mikosic
U.S. Advertising Sales Director: Stephen J. Seasholtz
Advertising Sales Manager: Barry B. Seeger
Associate Advertising Sales Director: Marking: Cleary S. Simpson
Associate Advertising Sales Director: International: Susan J. Sachs
Associate Advertising Sales Manager: William J. Yonan
General Manager: Ellen J. Farabosco
Consumer Marketing Director: David Glom
Production Director: Susan J. O'Leary
Business Manager: A.P. Duffy
Circulation Director: Jennifer Hillings Epstein

Now your home improvement loan gives you just as many choices.



Looking for a loan that makes borrowing money more affordable? How about one that gives you a choice of when to pay back the principal? Or gives you a variety of collateral options? With MoneyLine®, the choice is yours.

More options than other loans.

What makes MoneyLine special is that it leaves you in charge. For in-

Home improvement loan? MoneyLine isn't your only option.

Interested in adding on a room? Or converting your basement into a recreation room? MoneyLine is just one of the ways you can borrow from C&S. With a C&S home equity installment loan, you can borrow just the amount you need, plus you're guaranteed a fixed rate for a fixed term, with set monthly payments. Best yet, the interest is usually tax-deductible.* However, closing costs do apply.

Ask a C&S representative for more details about all your options.

stance, MoneyLine gives you a variety of repayment options, including plans that let you defer payment on the principal for 6 months up to 10 years.

MoneyLine also gives you a choice of interest rate options, as well as many collateral options including stocks, bonds, even time deposit accounts.

It's as simple as writing a check.

One of the best things about MoneyLine is that it puts cash at your fingertips. Simply write yourself a MoneyLine check, get a cash advance, or ask us to transfer money into your C&S checking account. It's that easy.

What's more, MoneyLine offers Buyer's Coverage™ which includes Purchase Security and Extended Protection.** Buyer's Coverage protects most purchases against damage, loss,

or theft for 90 days from purchase — and doubles most manufacturers' U.S. warranties up to an extra year.

Save on taxes and closing costs.

When you secure MoneyLine with the equity in your home, the interest you pay is generally tax-deductible.* Better still, when you choose MoneyLine, you won't pay a cent in closing costs on lines up to \$100,000. Because right now, at C&S, they're on the house.

There's never been a better time to borrow. And with C&S MoneyLine, there's never been a better way. There's no application fee. No transaction fee. No annual fee.

Why not find out more? Stop by your nearest C&S office today and get all the details.



MoneyLine®



Member FDIC

©1991 C&S Service Corporation. *Consult your tax adviser. **Buyer's Coverage is the C&S service mark for the Purchase Security and Extended Protection program of National Union Fire Insurance Company. Certain conditions and exclusions apply. Coverage underwritten by National Union Fire Insurance Company. Details available upon request. Effective on the later of June 1, 1990, or the date an Accountholder opens an eligible account. This offer subject to withdrawal at any time without notice.

Mopar® Five-Star Customer Care.
Because this is no place for amateurs.



It's just this simple: your car is way too sophisticated, and way too important to your daily life to trust it to anyone but the best. And that's what Mopar Five-Star dealers are. Chrysler Corporation's elite, most professional dealers, whose customers give them the very highest marks for service and customer satisfaction. Mopar Five-Star Customer Care. The only people you want working on your car. Only at Chrysler, Plymouth, Dodge, Dodge Truck, Jeep and Eagle dealers.

Here are the places where you'll find the professionals.

Mopar Five-Star Customer Care Dealers.

Georgia

ATHENS

Ivy-Coile Motors, Inc.
3650 Atlanta Highway
(404) 549-7555

CAIRO

Stallings Motors, Inc.
1245-38th Boulevard
(912) 377-3333

CARTERSVILLE

Don Voyles Dodge-
Chrysler-Plymouth
816 Joe Frank Harris Parkway SE
(404) 382-1018

COVINGTON

Walker Harris Autos, Inc.
5190 Highway 278 East
(404) 786-2271

EASTMAN

Loyd's Chrysler-Plymouth
864 Legion Drive
(912) 374-3852

FOREST PARK

Bob Maddox Chrysler-Plymouth
330 Forest Parkway
(404) 361-6150

JACKSON

Harry Lewis Chrysler-Plymouth, Inc.
196 Alabama Boulevard
(404) 775-3434

JASPER

Jasper Jeep/Eagle
Highway 5 Route 4
(404) 525-3500

LAWRENCEVILLE

Hayes Chrysler-Plymouth
719 Pike Street
(404) 963-5251

MADISON

Youngblood Chrysler-
Plymouth-Dodge
1600 Athens Highway
(404) 342-2242

MOULTRIE

Hutson Motor Company, Inc.
Quitman Highway
(912) 985-6603

NASHVILLE

Martin Motors
709 South Davis Street
(912) 686-2068

RINGGOLD

Ringgold Motor Company
412 West Nashville
(404) 935-2328

ROME

Bob Williams Dodge
2500 New Calhoun Road Northeast
(404) 232-7793

North Carolina

ABERDEEN

McBrayer Chrysler-Dodge
Highway 15-501 North
(919) 944-7115

ASHEVILLE

Liberty Chrysler-Plymouth, Inc.
599 Tunnel Road
(704) 289-8872

BURNSVILLE

Buchanan & Young, Inc.
9 East Main Street
(704) 682-2195

CHAPEL HILL

Yates Motor Co., Inc.
419 West Franklin Street
(919) 942-3121

COATS

Coats Motor Company, Inc.
Exit 977-110 McKinley Street
(919) 897-7428

DURHAM

Elkins Chrysler-Plymouth
125 East E/W Expressway
(919) 688-5511

DURHAM

Morgan Motors, Inc.
3601 Hillsborough Road
(919) 383-2531

FAYETTEVILLE

Cumberland Chrysler-Plymouth, Inc.
5421 Raeform Road
(919) 425-4200

HIDDENITE

Pinnix Chrysler-Plymouth-
Dodge, Inc.
Route 2, Highway 90 East
(704) 632-2701

LENOIR

Bush-Parsons Chrysler, Inc.
2206 Hickory Boulevard, S.W.
(704) 728-5011

LEXINGTON

M & L Motor Company, Inc.
925 North Main Street
(704) 246-5191

MONROE

Bob Mayberry Chrysler City, Inc.
3220 Highway 74 West
(704) 283-8571

NEW BERN

Riverside Chrysler-Plymouth-
Dodge, Inc.
1601 Highway 70 East
(919) 633-4411

STATESVILLE

Dixie Jeep/Eagle, Inc.
Highway 21 South
(704) 872-7656

WENDELL

Todd Motors, Inc.
114 North Main Street
(919) 365-6494

WILLIAMSTON

Dixie Motor Company, Inc.
Highway 64 Bypass
(919) 792-2154

WILSON

Cox Dodge
1501 Lipscomb Road
(919) 291-3131

South Carolina

CLINTON

Lynn Cooper, Inc.
302-305 East Carolina Avenue
(803) 833-1741

GEORGETOWN

Bob Moore Chrysler-Plymouth-
Dodge, Inc.
507 Church Street
(803) 546-6174

GREENVILLE

Big "D" Dodge of Greenville, Inc.
2645 Laurens Road
(803) 288-5000

GREER

Benson Chrysler-Plymouth, Inc.
400 Wade Hampton Boulevard
(803) 877-1291

LANCASTER

Sonny Bowers Dodge, Inc.
Highway 200 South
(803) 285-1546

LEXINGTON

Addy Dodge, Inc.
521 Columbia Avenue
(803) 359-2501

SALUDA

Saluda Motor Sales, Inc.
Highway 378
(803) 445-2027

WINNSBORO

Pope Chrysler, Inc.
238 South Congress Street
(803) 635-6510

Advantage:  **Mopar**
FIVE-STAR CUSTOMER CARE

CHRYSLER • PLYMOUTH • DODGE • DODGE TRUCK • JEEP • EAGLE

JAMES BROWN

Living in America



WITH SPECIAL GUEST STARS
LIVE! ONE NIGHT ONLY!

MONDAY, JUNE 10, 1991

EXCLUSIVELY
ON PAY-PER-VIEW
CABLE TV!

FROM THE
WILTERN THEATRE,
HOLLYWOOD, CA.

LIVE 9:00 PM EDT/6:00 PM PDT
ENCORE 12:00 MIDNIGHT EDT/9:00 PM PDT

Check listings or call your cable system
for ordering details.

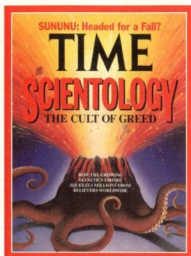
© 1991 WARNER BROS., INC.

LETTERS

SCIENTOLOGY

"There should be a competition among the various cults . . . 'Oh, what a spectacle this is!'"

Heather Hensley
Los Angeles



Your cover story [SPECIAL REPORT, May 6] was overdue. People of all ages have been taken in by this self-help program, which rips off its unsuspecting prey. Those who follow L. Ron Hubbard's philosophy of "looking within yourself" as the only hope should check their wallets often.

Jim Rockett
Chino, Calif.

Scientology is just another cult looking for the weak to sign over their savings. There should be a competition among the various cults to see which one can screw the unsuspecting victim out of the most money. I can hear the announcer: "There's Bhagwan's Rajneeshes running neck and neck with Scientology. On the outside we've got Jim Jones' Kool-Aid patrol, followed closely by Charlie Manson's Angels. Oh, what a spectacle this is!"

Heather Hensley
Los Angeles

While studying in London, I was coaxed into taking a "personality test" under the supervision of a trained Scientol-



Joan Greenstein



Joan Greenstein



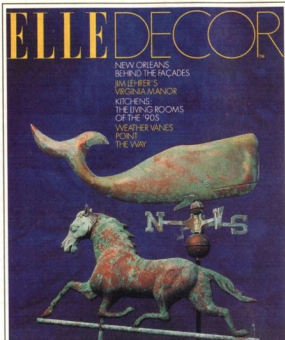
Joan Greenstein



Paul Warhol



Timothy Harty



Joan Greenstein



Joan Greenstein



Joan Greenstein

John Hall



John Hall



Joan Greenstein

Robert Polak



*Preview the smartest,
choicest collection
of home design ideas
in the world.*

It's filled with style... flair... *savoir faire*. It's fresh. Fun. And brimming with *joie de vivre*. And now it's yours all year long!

ELLE DECOR. With all the energy and excitement of ELLE, ELLE DECOR translates the spirit of youth and vitality into the world of home design and decoration.

Never stuffy or high-handed, ELLE DECOR celebrates the life you lead today. With a versatile approach to design. A loving attention

to detail. Lush textures. Sensual palettes. A brilliant harmony of fantasy and function. You'll be inspired to create the environment you've always wanted... with the sources and direction you need to make it happen.

Indulge your sense of style by returning the attached card for 8 issues at the Special Introductory Subscription Rate of only \$11.98. You save 57% off the single copy cost. Don't wait another minute—order now!

IF THE CARD IS MISSING, SEND ORDERS TO ELLE DECOR, HACHETTE MAGAZINES, INC., PO BOX 5014, BOULDER, CO 80522-1014.
Canadian orders add \$20.00 per year for additional postage and 7% GST; GST registrations no. 126077623. Foreign orders add \$20.00 per year for postage; payment in U.S. funds must accompany order. Please allow 30 to 60 days for delivery of first issue.

ogist. The results unearthed negative characteristic upon negative characteristic. When I suggested that I must have one positive attribute, I was told I was too aggressive. If I did not want to deteriorate further, I was urgently to seek help. Assistance would be at hand if I purchased a book and attended some sessions.

Lucie Warrillow
Athens

I'm a Scientologist, and I'm mad as hell. Your story is absurdly one-sided, distorted and vicious slander.

Tim Johnson
Rosemont, Ill.

I was stunned and appalled by your lack of objectivity. I am not a Scientologist, but my daughter and her husband are. They have found Scientology to be a constant source of guidance for their businesses and their marriage, and in raising their three children. I challenge Richard Behar's contention that "in the end, money is what Scientology is all about." From my experience, Scientology's major goals are to help members become better people and to make the world a better place in which to live.

Joan R. Ritter
Evanston, Ill.

Your inability to find anything good to say about a rapidly growing international organization with thousands of members who claim to have benefited enormously leads me to conclude that this is a case of slanted journalism for unstated motives.

Mark Feldhauer
Denver

If you have a big checkbook, lots of credit cards, a rich uncle and a fat ego that needs continual stroking, then go for Scientology, the most tyrannical organization in the U.S. today.

Thomas Cornwell
Elmira, N.Y.

Given its consumeristic and alienating culture, it is not surprising that the U.S. has acted as a sort of Petri dish for the growth of so many greedy and dangerous cults. It's a shame that Americans are victimized by their own freedom of religion.

Roy D. Eskapa
London

I filled out a personality test about six years ago and was called by a Scientology center to come in for my "free" results. Six years later, I still receive 10 to 15 mailings a month. Please add useless deforestation to this cult's list of crimes.

Richard Clayton Loomis III
Anaheim, Calif.

Your account will never reach those who are most desperately in need of it: the staff and active members of the church.

LETTERS

Nearly all of them will be "discouraged" from reading the story, and the few who do will be convinced that TIME is bent on destroying the Church of Scientology with lies and innuendo. It's a pity, however, your article nowhere suggests that much of what Hubbard produced is valid and of great use in helping people change unwanted conditions in their lives.

Gerald D. French
Administrative Director
Institute for Research in Metapsychology
Menlo Park, Calif.

Your article confirms that initially many things seem like "cherry pie." But check for the pits before biting in! The consequences can be serious.

S. Don Swaby
Salt Lake City

I have received calls from relatives of Scientologists and ex-members who are sufficiently intimidated by potential economic and emotional abuse to not want to identify themselves. One mother said that if your article only serves to deter a few people from going through what she and her daughter experienced, it will be well worth all your efforts and the angst suffered by your editors and their staff.

Herbert L. Rosedale, President
American Family Foundation
Weston, Mass.

Why did the good Lord create sheep if not to be fleeced?

Claude Elam
Fort Worth

Money Extractions

Do we really have to tolerate our government's sanctioning of the tab for presidential chief of staff John Sununu's overindulgence [NATION, May 6]? Truly, we have lost sight of a "government of the people, by the people, and for the people."

Beverly A. Temple
Milwaukee, Wis.

Our country is in peril if individuals, in order to conduct themselves in a just and moral manner, must have a law to cover every action. Is there no end to the devious lengths to which some politicians will go to extract money from the tax-paying public?

Elsie Simon
Trenton

We have been told ad nauseam that Sununu has a high I.Q. This mean-spirited, arrogant, unselected boor may be book smart, but everything he has done since arriving in Washington proves conclusively that he is not really very bright. Sununu should do the President and the American people a favor and resign.

Lillian A. Smart
Greensboro, Md.

The whole country is eager to see Sununu get a little of his own medicine!

Ellis P. Kruger
La Jolla, Calif.

I gather that Sununu has palms on both sides of his hands.

William E. Blatz
Old Brookville, N.Y.

What is all the fuss about Sununu's trips? Everyone does it.

Rita Rech
Mastic, N.Y.

Race and Death

After reading your article "Race and the Death Penalty" [Law, April 29], I agree that there is racial bias in the sentencing of people to death. To solve this problem, most liberals would want to abolish the death penalty and allow years of appeals, thus permitting murderers to get off the hook. I say we should make sure the white person convicted of murder gets the death penalty too. Murder is murder, no matter what color the killer or victim is.

Gail Hunter
Brookfield, Wis.

In 1982, at the age of 19, I worked as a correctional officer on death row. I personally witnessed the different treatment given to black inmates and white inmates. I watched helplessly as two guards repeatedly dunked a black inmate's head in a toilet for reasons that were unclear. One officer antagonized a black inmate who was scheduled to be executed within the week by pointing his index finger at the prisoner and saying, "Bang! Bang! If it was up to me, I would shoot you now and save the state some money." Thereafter the same officer continued to "shoot" the inmate each time he walked past the cell. After four months, I quit this job in disgust. Some poor souls are going to die just because of their color.

Joe Eric Garlington
Concord, Calif.

By forcing prosecutors to deal with only criminal cases supported by "hard evidence," we, as a society, have elected to err, whenever we err, on the side of having criminals in the streets instead of having the innocent in jail and executed. Thus, to criticize prosecutors for selectivity is to miss the simple point that liberty is the name of the game, not justice, conviction, reform or retribution.

John C. Brainerd
Golden, Colo.

Kicking with a Steel-Tipped Boot

Finally, Texas has a real Governor again. Ann Richards has done in three months what former Governor Bill Clem-

Microsoft® Excel 3.0

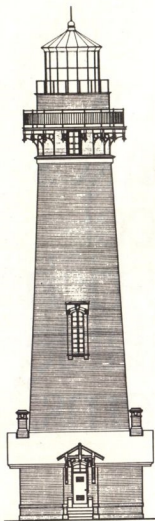
“This brand new
update easily makes
Microsoft Excel
the most feature-rich
spreadsheet available
for Windows systems.”

InfoWorld, January 28, 1991.

Windows™ Spreadsheet



Microsoft
Making it all make sense®



PIGEON POINT LIGHTHOUSE, SAN MATEO COUNTY, CA.

PRESERVATION PLAN ON IT

Planning on restoring a house, saving a landmark, reviving your neighborhood?

Gain a wealth of experience and help preserve our historic and architectural heritage. Join the National Trust for Historic Preservation.

Make preservation a blueprint for the future.

Write:
National Trust
for Historic Preservation
Department PA
1785 Massachusetts Ave., N.W.
Washington, D.C. 20036

ents could not do in two four-year terms [NATION, April 29]. Richards is leading this state with great administrative skill. If she is not getting rid of unproductive agency administrators, she is pushing for major ethics legislation. In Texas this type of leadership is not easy: the Governor has limited powers and must rely on gubernatorial powers to get things done. That is exactly what Richards does.

Jeffrey J. Meador
Brownwood, Texas

From the current American political scene, my choice as a grandmother for my children would be Ann Richards of Texas. I want a go-getting animal for my children. Richards is doing things with a vengeance. She is kicking heads with a Texas-size steel-tipped boot.

John Williams
Wheaton, Ill.

Reserved Parking

I was dismayed at the article concerning the California DISABLED PERSON placard [NATION, April 29]. I would gladly give my reserved parking space to anyone who wants it and is willing to take the artificial leg and poor circulation that go with it.

Lorene A. Johnston
Columbia Station, Ohio

I have a list of disabilities as long as your arm, but to paraphrase your "Invalid Invalids" item, I can hop nimbly out of my placarded car. What I can't do is walk more than 25 ft. without extreme pain or carry a heavy bag of groceries for more than a short distance. I look great in spite of severe diabetes and many major surgeries, including a quadruple coronary bypass. I need and deserve that handicapped placard. Would you all be happier if I tried to look more helpless and dyed my hair gray, limped, shook and stumbled?

Karen W. Merrell
San Jose

Weirdos, Sickos and Meanies

Pico Iyer has targeted one of the saddest features of our popular culture [ES-SAY, April 22]. Films and books routinely "entertain" us with portrayals of weirdos, sickos and meanies, and tales of misdeeds by otherwise decent people. This pervasive ugliness in our recreational materials contributes to feelings of depression and powerlessness. It encourages unbalanced individuals to imitate the cruel or criminal acts they read about and view.

Mary D. Calo
Kingsford, Mich.

When it comes to physical violence, most of the bad people are men, and most of their victims are women. Yet now that the media are waking up to that and art is

LETTERS

starting to mirror reality, some men are whining. "Hey, quit picking on us poor guys." We women can rejoice only if "patriarchal" is finally becoming an insult. We hope that the media quit picking on you poor guys only when you and your patriarchy quit picking on us in real life.

Lynn Herrick
Houston

Bret Easton Ellis' book *American Psycho* resonates in the American psyche, not because it depicts despicable acts toward women, but because it offers a rare vent for male rage at the daily bashing men take from feminist writers.

Peter Evans
Key Biscayne, Fla.

Goddess Worship

Bravo! I am elated after reading "When God Was a Woman," [RELIGION, May 6]. Ever since I graduated from Harvard University Divinity School in 1990, the idea of a female explosion in religion has excited me because for too long women have been denied the right to identify with the all-knowing and all-powerful feminine image of the divine. Unfortunately, the silent or submissive portrayal of women in traditional religions has had a profound impact on the way society views women. We cannot deny the importance of religion in shaping our culture; therefore, the time has come for women and men to recognize the existence and importance of a female deity.

Carisia H. Switala
Jessup, Pa.

I totally disagree with the conclusion that "it is the gender of the deity that counts." It is about casting aside such labels and becoming one with our environment and fellow humans. To try to define it as some kind of feminist movement is not just.

Robert W. Miller Jr.
Winter Park, Fla.

Gilt Complex

You have it wrong [PEOPLE, April 29]. If that deliciously plump lady Muppet is Miss Piggy, then she cannot be a sow. She should properly be called a gilt. Please correct this error in deference to all lady pigs that have not yet given birth to piglets.

Perry N. Hightower
Oklahoma City

Worry over Word Reversals

I must say that the entire cost of my 20 years of subscribing to TIME was paid for by the article about Chicago neurologist Jacob Fox [INTERVIEW, April 15]. Several of my friends are coping with the heartbreak of a parent who has Alzheimer's, and now I panic when I can't remember a name or when I reverse a word. Once I burst into

Microsoft Excel 3.0

“It focuses on giving ordinary users easy access to often-used features, and in this it is nothing short of spectacular.”

Richard Scoville. *PC World*, February 1991.

Windows® Spreadsheet



Microsoft
Making it all make sense®

We Get a Good Return on Our Investment.



©Gary Meszaro

The Nature Conservancy takes a business approach to protecting our natural world. Each day in the U.S. we invest in over 1,000 additional acres of critical habitat for the survival of rare and endangered species.

Through creative techniques like debt-for-nature swaps, we are also saving millions of acres of tropical rainforest throughout Latin America and the Caribbean.

On these protected acres, migratory waterfowl return each year. Trout return to the streams. Antelope return to the grasslands. And in many areas plant and animal species previously driven to the brink of extinction are returning to their native habitats.

Join us, and make an investment in our natural heritage. Future return: isn't that what investment is all about?



Conservation Through Private Action

For more information, call toll-free 1-800-628-6860.
(or write The Nature Conservancy, Box PSA, 1815 N. Lynn Street, Arlington, VA 22209)

LETTERS

tears when my sister caught me in three word reversals in one afternoon. Your article brought me a profound sense of relief.

Maryann Ondovci
New York City

Rust Belt Advantage

Living in a Rust Belt town, I have seen firsthand the movement of population from the North to the Sunbelt [NATION April 29]. When the Sunbelt states run out of something we have in abundance—water—the tide will turn. Sunbelters may try to buy our water, but they will have to move back to the Rust Belt to get it.

Rob Jagelowski
Cleveland

Don't Use My Name

Of some 400 readers who wrote *TIME* about Scientology [May 6], 25% were in favor of the church, 75% opposed it, and at least 10% asked that we not print their name. Here are some of their anonymous reactions.

SHAME ON YOU: Your article on Scientology was biased and belligerent. There are many free individuals who take exception to what you say.

PROMISES, PROMISES: In a world where the philosophy "the best things in life are bought" sings from every commercial, is it any wonder that people seeking happiness are plunking down thousands of dollars for Scientology?

CRUEL TREATMENT: When I was eight months pregnant, I was held hostage for three hours without food until I donated \$2,000 to the Church of Scientology.

PAST LIVES: I lost two good friends to Scientology. One came to believe she was a reincarnation of Cleopatra. The other has been told she is obese because she starved to death in her past life when she led a tribe into the desert.

LETTERS TO THE EDITOR should be addressed to:

TIME Magazine Letters
Time & Life Building • Rockefeller Center
New York, New York 10020
Fax number: (212) 522-0641

Letters should include the writer's full name, address and home telephone number, and may be edited for purposes of clarity or space.

Subscription Renewals?
Gift Subscriptions?
Address Changes?

TIME

is ready to make time for you.

Call toll-free
1-800-843-TIME

Microsoft® Excel 3.0

“...a lot of
happy 1-2-3[®] users
are destined to
become even happier
Microsoft
Excel 3.0 users.”

Jim Seymour. *PC Week*, January 28, 1991.

Windows[®] Spreadsheet



Microsoft[®]
Making it all make sense[™]



AMERICAN SCENE

Wallingford, Connecticut

Calypso Rocks A New England Village

South Bronx students bring steel drums, Caribbean rhythms and cultural diversity to a button-down Connecticut boarding school

By DANIEL S. LEVY

Lizbeth Andujar traces a line of sheet music with a finger as her other hand lightly taps against the side of a set of white steel drums. "Try one line until you get it and then increase the speed," the diminutive eighth-grader advises Aki Shimizuishi. "Take your time, get the notes, know where they are, and then get the beat." Aki, 17, looks down at the short alto drums, which are cut from large oil containers. He strikes a few of the notes with thin, rubber-tipped metal mallets and winces when the tone doesn't sound quite right. "It is tough just getting the letters straight," he says as he tries to play the first bar of *When the Saints Go Marchin' In*. A number of his classmates and a few of his teachers at the Choate Rosemary Hall school are also struggling, hoping to make some sense of the industrial-looking instruments, which were brought to Connecticut from the South Bronx by members of the Alexander Burger Intermediate School 139 senior steel band.

Calypso-flavored steel drumming is not the average class offering at Choate, where students dress like L.L. Bean models and carry lacrosse sticks across carefully manicured lawns. Located in Wallingford, Conn., 12 miles north of New Haven, it is

the button-down boarding school boasting such notable alumni as John F. Kennedy and Glenn Close—a place of birch and magnolia trees and Colonial Revival brick buildings with white trim, intimate dormers and gilded towers.

Choate is 80 miles northeast and a world away from the Burger school, an oasis of learning located in a neighborhood of burned-out buildings, where sporadic gunfire is a regular event. "We have people in

"People say they are from the Bronx, stay away, they are dangerous. Well, they are not."

Mercedes and Jaguars from Connecticut and New Jersey out in front of the school buying drugs," says Tom Minicucci, the director of the senior steel band. "It is like the bazaars at Marrakesh."

Burger, one of New York City's magnet schools for the performing and creative arts, attracts talented students from outside the boundaries of the impoverished school district.

The school offers classes in drama, choral music, orchestra, dance and, of course, the steel drum.

Lizbeth and her 21 classmates from the steel band—the city's only such school-based musical ensemble—are in Wallingford to give a concert during Choate's Multicultural Day. Choate first became interested in the group last year when admissions director Andrew Wooden, 36, was visiting Burger to interview three potential

students. "As I was walking through the hall, I heard the steel drum and was mesmerized by it," Wooden recalls. "When I got back to Choate we arranged for them to come here. This is a pretty steady group, and the Burger kids had the place rocking."

This year's Multicultural Day was the agreed-upon time for an encore concert. Steel drumming, which originated in Trinidad in the 1940s, made a perfect offering for a day intended to expose students to other cultures. Like so many schools, Choate is actively seeking to diversify its student body, a policy that meshes well with the dreams of many minority parents who want to get their children away from the pressures of the inner city. "Thirteen years ago, it was hard to talk a kid from the Bronx into coming here," says Wooden. "Now it is easier. The areas have gotten so bad that the parents want to get their kids out of the neighborhood." Choate admitted all three Burger interviewees—two on full scholarships—and is taking one more student this coming fall. Wooden wishes his school had the financial funds to admit more. But at \$15,900 a year, an education at Choate doesn't come cheap.

The teachers at Burger welcome admissions directors like Wooden as they actively search for good public and private high schools for their graduating students. Newly imposed budget cuts have crippled many city schools, and are especially devastating in the South Bronx, where schools are oftentimes one of the few stable parts of a child's life. "Burger is a safe haven for them," says Minicucci. "It is calm, and we offer them wonderful opportunities with the arts and music."

Burger is fortunately blessed with a dedicated staff, people like Minicucci and Terry Hoffer, the drama teacher who also accompanied the class to Choate. Both have worked at Burger since 1967, and do what all good teachers do: devote themselves to their students. On the trip to Choate, Hoffer and Minicucci act as chaperones, guides and cheerleaders, preparing the students for the concert as they ease their fears. "Our kids don't realize how good they are," Hoffer admits, sounding like a proud parent. Many of the students were worried about the trip and concerned about how they might fit in. "I couldn't sleep the night before," says Julio Dominguez, 15. "I dreamed the bus left without me." All that quickly changed when they arrived in Wallingford. "Five minutes after they met their hosts they were gone and they didn't know us," jokes Hoffer.

Each Burger student spent the two days with a corresponding Choate host. Jesus Nieves, 14, bunked in freshman Ed Dale's room. They attended classes, shot hoops, watched TV and listened to music. "People say they are from the Bronx, stay away, they are dangerous," says Natalia Roquette, 14, another of the Choate hosts. "Well, they are not. They are really nice."



AMERICAN SCENE

During Multicultural Day, students ate yams, sticky rice and potato latkes, and attended classes in Ceylonese dancing. New England cemetery markings and Cambodia's history and people. Minicucci provided the musical diversity by offering the Choate kids lessons in steel drumming. The success of last year's concert made Minicucci's class the most sought after: 450 people signed up for the 18 slots.

Aki Shimizuishi wasn't registered for the class. He had helped set up the stage in the gymnasium the night before, stopped by in the morning to observe the course and happily filled in when a set of drums became free. Minicucci stands up front and briefly describes the history of the drums, then demonstrates how to use the mallets. He breaks down the playing into melody, harmony and beat, and tells each player what to do. They give it a try. Slowly a tune emerges from the jumbled, tinny cacophony that reverberates throughout the gymnasium. He takes the players through their lines until they have the song down pat. They are shocked when he informs them that they will be the surprise performers during the concert later in the afternoon.

The concert is the main event of the day. Twelve hundred students, faculty members and friends fill the gym and squat on the floor as the Burger band members take the stage. "I won't know if you like it unless you make some noise," Minicucci announces as he tells the audience to move closer. The band starts with *Love Is in the Air* and Minicucci quickly works up a sweat as he bounces, points, claps and raises his hands to the beat of the music. The players wield their mallets in unison, pounding out a strident, pulsing beat. A number of the Choate students stand up and clap. Others follow, and some dance around as the sounds of well-known tunes like *Downtown* rebound off the gym walls.

During *The Tide Is High*, a long line of students snakes around the gym. They then high-kick through *New York, New York*. When Minicucci calls for the 1991 Choate Rosemary Hall steel band, the audience yells and chants the names of various performers as they make their way to the stage for a fast-paced and well-performed rendition of *When the Saints Go Marchin' In*. "There was pressure," Shimizuishi admits as he leaves the stage to the cheers of his classmates. "I was afraid I would mess up, but it was fun. It went well."

The band concludes with a rousing rendition of the Choate school song. The exhausted Burger students quickly rejoin their new friends. Some make plans for future visits. Others go off for a game of basketball, a meal in the dining hall or a final look at the campus. Minicucci and Hoffer try to relax and prepare for the drive back to the Bronx. They are already talking about next year's concerts and, as always, their hopes for the future of their students.

Where do TIME subscribers get to know TIME journalists?

The TIME Insider:
One of the exclusive privileges of TIME Plus



TIME

PLUS

More than a subscription.



**WHEREVER YOU DO BUSINESS AROUND THE WORLD,
WE'RE PART OF THE LOCAL FABRIC.**

At the AIG Companies, our business takes us from the canyons of Wall Street to the marketplaces of East Asia to the bazaars of the Middle East. But there's more to being global providers of insurance than just being a long way from home. AIG traces its roots

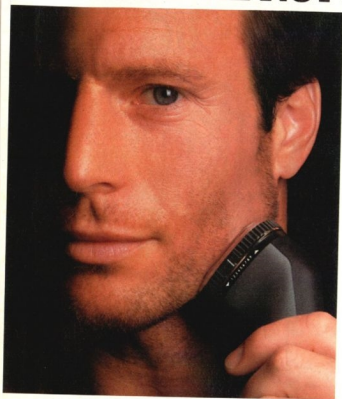


to Shanghai in 1919, and today our network stretches across 130 countries and jurisdictions. We hire local managers who understand the business practices and needs of their own markets. If you're a multinational company doing business in today's fast-changing world, you need our unique global reach and global experience.

AIG **WORLD LEADERS IN INSURANCE AND FINANCIAL SERVICES.**

American International Group, Inc., Dept. A, 70 Pine Street, New York, NY 10270.

IF YOU THINK YOU'RE GETTING THE PERFECT SHAVE, YOU'RE NOT EVEN CLOSE.



THE NEW NORELCO SHAVES CLOSER THAN EVER WITH THE SAME INCREDIBLE COMFORT.

It's one thing to think you're getting a perfect shave. It's another thing to actually get one.

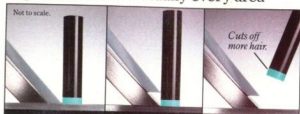
Now you can. The revolutionary new Norelco® razor lets you shave even closer without the slightest sacrifice of the legendary Norelco comfort.



"Lift and Cut" laser-etched on our heads is your assurance of Norelco's patented performance.



This new standard of shaving excellence was achieved through major improvements in virtually every area



More hair enters the chamber of the improved "Lift and Cut" system.

Improved system lifts and exposes additional hair.

Improved system cuts hair even closer.

of the Norelco patented "Lift and Cut™" system. The comb slots have been redesigned so hair growing at any angle can be quickly directed to the blades. The cutting system has been engineered to shave even closer without the blades touching your skin. And an improved bearing mechanism delivers a more consistent, smoother cutting action.

Together, these engineering advances shave you closer than ever. Yet not one iota of comfort has been lost. Rather, you've gained a new level of closeness and comfort.

Experience this exceptional shave for yourself. Once you do, you'll never come close to being satisfied with anything else.

Norelco®

A NEW LEVEL OF CLOSENESS AND COMFORT.

© 1990 Norelco Consumer Products Company.
A Division of North American Philips Corporation, Stamford, CT 06004

GRAPEVINE

By DAVID ELLIS/Reported by Sidney Urquhart

Cancel Our Reservations

Some Bush Administration insiders are acidly recounting the irony of a blunt lecture John Sununu delivered to former Education Secretary Lauro Cavazos last December. When the chief of staff summoned the ineffectual Cabinet member and asked him to resign, Sununu included a few sharp comments on Cavazos' travel habits. The Secretary usually took along his wife Peggy Ann, and is suspected of paying her fares with frequent-flyer credits he earned on official business—an apparent violation of federal



rules requiring those bonuses to be turned over to the government. The couple also preferred to travel on TWA, even when other carriers offered more direct routes. Because Cavazos' son worked for the airline, the Secretary's wife was able to fly free. Sununu's heavy use of military flights earned

The Bureaucrat Has No Clothes...

Mexican farmers aren't usually as militant as their northern counterparts, but they stepped out of character in Mexico City earlier this month. Angered by the government's refusal to curtail illegal timbering operations on their land, several thousand subsistence farmers marched on the Agricultural Secretariat. After snarling traffic for four days, the campesinos assaulted Jesús Cardeña Rodríguez, the secretariat's director of forest policy, as he left the building, stripped him to his underwear and paraded him through the street for three hours. The public display won the peasants a pledge of government action.

...And the Chancellor Needs a Laundromat

German leader Helmut Kohl, whose popularity has plunged as his countrymen have become aware of just how much unification is going to cost, is losing his patience. Walking through the shabby central square in the town of Halle earlier this month, Kohl caught the people's disaffection right in the face. Irrate citizens pelted him with eggs while shouting, "Liar! Liar!" The enraged Kohl, egg yolks dripping from his head and lapels, shook off security personnel and plunged into the crowd to confront the hecklers. Just as the burly *Bundeskanzler* was taking a swing, his guards dragged him away.



him a slap on the wrist, but Cavazos' machinations are the subject of a Justice Department criminal investigation.

Syria's Footloose Black Sheep

Life in exile isn't so bad—just ask Rifaat Assad, the fiftysomething brother of Syrian strongman Hafez Assad. Rifaat once ran a 20,000-man militia at home but was kicked out of the country in 1983 when Hafez Assad began to worry about his sibling's lust for power. Since then Rifaat has lived the lush life of a global businessman, managing millions of dollars' worth of investments in Europe and the Middle East. He visits the properties with an entourage of 20 that includes his two wives and several shapely female "secretaries," all traveling aboard two customized 727 airliners he owns. But he's not likely to visit old haunts in Damascus anytime soon. When asked about that destination, an aide shook his head and ominously drew a finger, knifelike, across his throat.

It's Hard to Be Perfectly P.C.

Even when it comes to sensitivity, you can have too much of a good thing. The National Lesbian Conference last month in Atlanta was less than a ringing success, in part because conventioners were distracted by the many "agreements" they were supposed to keep in mind. In deference to those suffering from "environmental illnesses," the NLC prohibited any perfume or clothing washed in scented soaps. The ban was enforced by a sentry wearing a surgical mask. Another guideline called for "parity" at all conference events. Thus half of all committee members had to be "lesbians of color." 20% had to be lesbians with disabilities and at least 5% of the members "old lesbians" (definition: "over 50 with a history of ageism activism"). In some areas, however, organizers abandoned any effort to find common ground. Because vegetarians and carnivores alike were attending the conference, no food at all was available for sale.



Dreaming of the Wild Blue Yonder

Even though the economy is limping along, pilot-training schools are flying high. One California flight-school administrator, noting a surge in applications, believes that "the success of the air war in the Middle East has caught people's imaginations." Jim Haynes, president of Janelle Aviation in Leesburg, Va., says his number of applicants has quadrupled since the war. Remember when the Watergate investigation sent thousands of young Americans to journalism school?

VOX POP

Should tobacco companies be prohibited from sponsoring sporting events?

YES 33% NO 62%

From a telephone poll of 500 American adults taken for TIME/CNN on May 3 by Yankelovich Clancy Shulman. Margin of error is plus or minus 3.5%. "Yes" panel, weighted.

And P.S.: Don't Knock Gorbachev

Pity the Soviet visitor to the U.S. who is unbribeed on local customs. But *Panorama*, a Moscow newspaper, offers these pointers:

- Never refuse anything. Americans offer gifts only once, so modesty is a mistake.
- There is no such thing as exploitation. If you help someone with odd jobs, pocket any pay tendered—you might earn the equivalent of a year's salary in rubles after just a few days.
- If a broken VCR or answering machine is available, grab it. Soviet customs agents won't tax defective luxury items.
- Don't feel ashamed of your English. Many Americans have trouble speaking it properly themselves.

FROM THE PUBLISHER

For the past four months, TIME has had a special guest. Unlike most guests, however, he's had to work hard during his stay. Since early February, Geoffrey Colvin, a member of the Board of Editors at FORTUNE, has been sitting in as editor of TIME's Business section. His visit is part of an exchange among the publications of the Time Inc. Magazine Co., intended to give selected editors a taste of new environs.

Colvin has made the transition to TIME with ease and élan, overseeing the Business section during an especially busy period. Two cover stories—on the nuclear-power industry and on the Scientology cult—appeared on his watch. He edited two major stories on shady dealings at the Bank of Credit & Commerce International as well as perceptive articles on the rebounding housing industry and on Wal-Mart, the nation's largest retailer.

"I've had a terrific time," says Colvin. After 12½ years at FORTUNE, he admits that TIME's different style and approach required some adjustment. The two magazines, for example, are aimed at largely different readerships. "FORTUNE's readers are managers," he says, "while TIME's readers are consumers."



Editor Colvin displays his divided loyalties

"Four months is enough time to feel like you know the job."

TIME's more hectic, weekly schedule also took some getting used to. "I'm impressed with the speed with which things happen around here," he says. His staff was equally impressed with Colvin's speed at adapting. "He handled an unusually heavy crunch of covers and major breaking stories without missing a beat," says associate editor Janice Castro.

A native of South Dakota, Colvin, 37, majored in economics at Harvard. While still in school and just afterward, he worked as a disk jockey for classical-music radio stations. (He still puts his radio voice to good use, as a commentator on business for CBS Radio.) Colvin spent three years as a ghostwriter for CBS Inc. chairman William S. Paley's autobiography, *As It Happened*, before joining FORTUNE as a reporter. An editor there since 1984, he has worked on virtually every kind of story the magazine covers, though his primary responsibility is the Managing section.

As his TIME assignment nears an end, Colvin is not leaving without some regrets. Says he: "Four months is enough time to feel like you know the job." It was enough time for us to feel like we know the guest—and to realize that we'll miss him.


Robert L. Miller



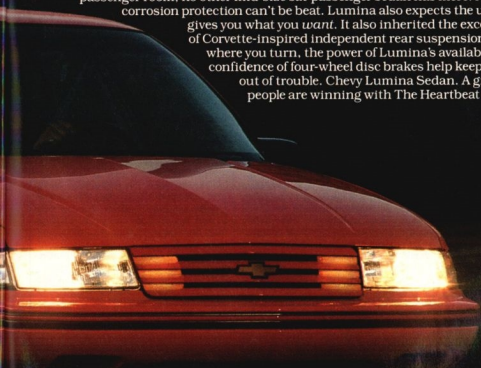
After Lumina satisfies what you need, it quickly responds to what you want.


Lumina Sedan ■ *Family Circle* "Domestic Family Car of the Year."

- EPA estimated MPG city 19/highway 30 with 4-speed optional automatic transmission.
- Standard Scotchgard™ Fabric Protector on all seats and doors. ■ Optional 3.1 Liter V6 with Multi-Port Fuel Injection. ■ 3-year/50,000-mile Bumper to Bumper Plus Warranty*

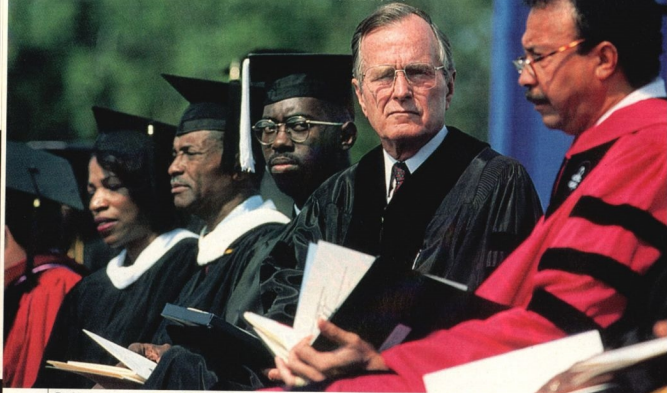
MORE PEOPLE ARE
WINNING WITH
THE
Heartbeat
OF AMERICA 
TODAY'S CHEVROLET™

Chevy Lumina Sedan. It has everything you need...and then some. Like the best highway mileage of any V6-powered vehicle in its class! If you need passenger room, no other mid-size six-passenger sedan has more! And to fight rust, Lumina's corrosion protection can't be beat. Lumina also expects the unexpected and quickly gives you what you *want*. It also inherited the exceptionally tuned ride of Corvette-inspired independent rear suspension. And no matter where you turn, the power of Lumina's available 3.1 Liter V6 and the confidence of four-wheel disc brakes help keep you in control and out of trouble. Chevy Lumina Sedan. A great many reasons more people are winning with The Heartbeat of America.



*See your Chevrolet dealer for terms of this limited warranty. A deductible will apply after 12 months or 12,000 miles.
†Excludes other GM products. Chevrolet, the Chevrolet emblem, Lumina and Corvette are registered trademarks and Chevy is a trademark of the GM Corp. ©1991 GM Corp. All Rights Reserved. Let's get it together...buckle up. 

TIME/MAY 27, 1991



Bush's commencement speech at Hampton University was met by a student protest against his affirmative-action policies

DIANA WALKER FOR TIME

Quota Quagmire

While racial tensions are rising in the country, Washington politicians are bogged down in a rancorous dispute over a new civil rights bill

By PRISCILLA PAINTON

Here are examples of what passes these days for communication across the color line: In Tamarac, Fla., a 20-year-old black cook was questioned by police for 45 minutes after officials at the bank where he wanted to open an account reported that he planned to rob it. In New York City a rumor that a soft drink sold in poor neighborhoods had been secretly manufactured by the Ku Klux Klan to make blacks sterile worked so well that sales plummeted 70%. And a University of Chicago survey of racial attitudes found that 3 out of 4 whites believe black and Hispanic people are more likely than whites to be lazy, less intelligent, less patriotic and more prone to violence.

These are among the signs that blacks and whites are still talking past each other, that the nation could stand to pause and have a long, constructive conversation about race. Instead, the political establishment in Washington has transformed what should be a serious discussion about civil rights legislation into a festival of sophistry.

Last week the verbal posturing gave way to desperate, eleventh-hour arm-twisting and compromises, as House Democratic leaders scrambled to find the votes they need to override a possible presidential veto. It was a spectacle the Republicans enjoyed. "The Democrats are not going to get the votes they need, and that will finish off civil rights for this year," crowed G.O.P. whip Newt Gingrich. Privately, civil rights lobbyists acknowledged that Gingrich was right.

The key aim of the bill, which is scheduled to reach the House floor this week, is to make it easier for minorities and women to sue against "unintentional" employment discrimination, such as a hiring exam that may look fair but has the effect of keeping out members of some groups. The White House and congressional Republicans claim that the Democratic bill would go too far, encouraging the use of racial hiring quotas, subjecting white males to "reverse discrimination" and rewarding more lawyers with more money. Democrats reply that the White House alternative does not go far enough, and would make victims of discrimination jump through hoops to prove they are victims.

A central issue is who should bear the "burden of proof" when a worker com-

Have affirmative-action programs helped blacks get better job opportunities?

	WHITES	BLACKS
Helped	52%	45%
Hurt	10%	5%
No difference	28%	41%

Have job opportunities for blacks become better in the past five years?

	WHITES	BLACKS
Better	64%	39%
Worse	5%	22%
Haven't changed	26%	37%

Do we need more government efforts to help blacks get better job opportunities, are existing programs adequate, or do they go too far?

	WHITES	BLACKS
More programs	19%	58%
Adequate	41%	23%
Go too far	31%	13%

From a telephone poll of 504 white and 504 black Americans, adults, taken for TIME/CNN on April 26-27 by TeleResearch/Clarity Research. Sampling error is plus or minus 4.5%. "Not sure" omitted.

Do affirmative-action programs for blacks sometimes discriminate against whites? If "yes," does this happen a lot or only sometimes?

	WHITES	BLACKS
No	17%	44%
Yes, a lot	17%	7%
Sometimes	60%	42%

plaints that a company discriminates in its hiring and promotions. Until two years ago, it was up to the employer to show the "business necessity" of practices that have a "disparate impact" on minorities. Under that standard, plaintiffs were not required to prove that an employer had deliberately set out to be unfair to minorities; statistics showing that qualified minorities were underrepresented in a company's work force or had been consistently denied promotions were enough to make the case.

But in a 1989 case called *Wards Cove Packing Co. v. Atonio*, the U.S. Supreme Court ruled that it was up to complaining workers to prove a lack of "business necessity" for such practices. Statistics were no longer enough; lawyers in effect had to read employers' minds to demonstrate that they had consciously planned to favor whites.

Both Republicans and Democrats want the decision reversed, a remarkable consensus that should have yielded a law by now. But the Republicans have turned the legislative battle into the opening round of the 1992 election campaign, and the Democrats are fumbling for a way to counterattack. Despite the fact that there are no truly significant differences between the competing proposals, the debate has sunk to the realm of the picaresque. While Democrats use language like "significant rela-

tionship to the successful performance on the job," for example, the Republicans want to say "a manifest relationship to the employment in question."

The Republican goal is to associate the Democrats with the dread word quota. George Bush's private polls have underscored the lesson North Carolina Senator Jesse Helms delivered in his ugly finale against black Democrat Harvey Gantt last November—that wavering white Democrats will scurry into the G.O.P. camp at the mere suggestion that blacks deserve special treatment to compensate for centuries of bigotry. A last-minute weapon in Helms' arsenal was a TV spot showing white hands holding a job-rejection slip, while a narrator intoned, "You needed that job, and you were the best qualified. But it had to go to a minority because of a racial quota." Helms won by 4%.

Bush has not shied away from exploiting the issue. When he vetoed a similar civil rights bill last year, he talked about the "destructive force" of quotas in the same warrior tones Ronald Reagan once hurled against the "evil empire." Although the Democratic bill explicitly discourages the use of quotas, the Republicans argue that the idea is clearly implied in that version. They say that if the bill becomes law, com-

panies will try to "inoculate" themselves against discrimination suits by quietly trying to match the percentage of blacks on the payroll with the percentage of blacks in the local labor market. Though Republicans say that would be unfair to whites, the Federal Government does it every day. In fact, Bush's Office of Federal Contract Compliance Programs uses precisely the same standard to determine whether corporations that do business with the government are complying with laws against discrimination.

Some White House officials, however, are so determined to keep quotas alive as a political issue that they have interfered with efforts to reach a compromise. Last month chief of staff John Sununu and counsel C. Boyden Gray put pressure on members of a group of top corporate executives called the Business Roundtable, who were trying to forge an agreement on the bill, to break off their talks with civil rights leaders. The two Bush aides also criticized the Roundtable's involvement at a White House meeting with representatives of small businesses who oppose the bill. That was the last straw for Robert C. Allen, chairman and chief executive officer of AT&T, who had initiated the negotiations. He withdrew on April 19, taking with him the influence and good intentions of the 200-member organization.

The Democrats, in the meantime, have gone into contortions to keep the bill from appearing to be about skin color. In their attempts to get backing for their version, they have called it a "job opportunities bill" or a bill "for all working Americans." But their main effort has been a campaign to stress that women could be the major beneficiaries. To attract support from the 43% of the population that is both white and female, they have included a provision that would allow women who are discriminated against to sue in federal court for an unlimited amount; under current law, only victims of racial discrimination have that right.

The proposal made uneasy conservative Democrats even more uneasy. So last week House leaders accepted a limit of \$150,000 on jury awards to female plaintiffs. Though that might attract more conservative supporters, it alienated the Congressional Caucus on Women's Issues and many of their allies in the civil rights community. Says Ed Dorn, an analyst at the Brookings Institution: "The strategy on the issue this year has been exceedingly awkward and poorly planned."

In the Senate there has been no strategy because there has been no bill. Democrats there have reason to be skittish. Of the 35 Senators up for re-election in 1992, 19 are Democrats and 11 of them are freshmen. Five are from the South, where they need both white and black support to win and where a vote on a civil rights law is sure to offend one group or the other.

The problem of how to reconcile blacks

and working-class whites, once the backbone of the Democratic Party, is compounded by the recession. "People are feeling very vulnerable in their job situations," says Democratic Congressman Timothy Penny of Minnesota. "Quotas mean jobs for some and pink slips for others." The racial split so torments Democrats that it has overshadowed every other issue. At a meeting in Cleveland earlier this month, members of the moderate Democratic Leadership Council spent most of the time wrangling over the phrase "We oppose discrimination of any kind—including quotas." Warned Paul Tsongas, the former Massachusetts Senator who is the only declared Democratic candidate for President: "We must tread lightly here. These are our family jewels. If we discard them, we will wander into the wilderness with those who have no moral purpose." But others, like Ron Gamble, a state representative from Pennsylvania, said the word could cost the party the next presidential election. "If we have to appease this interest group or that interest group," he said, "we will leave Cleveland as losers." The inelegant compromise left everyone dissatisfied, and party chairman Ron Brown felt the need to remind his fellow Democrats to turn their fire on the Republicans.

While politicians mangle the language and one another, there is fresh evidence that blacks continue to face strong barriers in the workplace. A study by the Urban Institute released last week showed that in 1 out of 5 attempts to get an entry-level job, a white applicant advanced further in the hiring process than a black applicant who was equally qualified. Since the late 1970s, the gap between the average earnings of black and white workers has failed to narrow: the average annual income of black workers in 1989 was \$8,747, compared with \$14,896 for white workers.

Despite these inequities, some blacks have turned their attention away from Washington—to the deteriorating inner-city neighborhoods—and concluded that the semantic dueling in Washington is beside the point. "If Congress passed their version of the civil rights bill tomorrow, would things be all right in black America?" asks Charles R. Stith, founder of the Boston-based Organization for a New Equality, a six-year-old civil rights group. "The answer is no. It's a solution to a political problem. The problem we now face is fundamentally an economic problem." From that perspective, it does not matter whether the current bill passes, since neither version would help a single crack addict kick the habit, persuade a youngster to stay in school or give an unwed mother the training she needs to get a job.

—Reported by
Laurence I. Barrett and Nancy Traver/Washington
and Sylvester Monroe/Los Angeles

Does Affirmative Action Help or Hurt?

Black conservatives say their people become addicted to racial preferences instead of hard work

By SYLVESTER MONROE LOS ANGELES

For Mignon Williams, 42, a black marketing executive in Rochester, N.Y., affirmative action means opportunity. Recruited by Xerox Corp. in 1977 under a pioneering plan to hire women and minorities, Williams rose from saleswoman to division vice president in

Smith contends, however, that gender and race have not opened doors for him but shut them. He has been denied promotion to sergeant so that Hispanics and females who scored lower on exams could be given the higher-ranking positions set aside for those groups. He worries that even if he is promoted, the achievement may be so tainted by affirmative action that he will be



The professor talking with students at San Jose State University

just 13 years. While Williams attributes her success mainly to hard work and business savvy, she acknowledges that her race and her sex played a role in her rapid rise. Affirmative action, she says, "opened the door, but it's not a free pass. If anything, you feel like you're under a microscope and have to constantly prove yourself by overachieving and never missing the mark."

For Roy V. Smith, 40, a black 18-year veteran of the Chicago police force, affirmative action means frustration. Since 1973, court-ordered hiring quotas and the aggressive recruitment of minorities have expanded black representation on the 12,004-member force from 16% to 24%.

"Blacks now stand to lose more from affirmative action than they gain."

—SHELBY STEELE

perceived as a "quota sergeant." Last fall he joined a reverse-discrimination lawsuit against the city of Chicago by 313 police officers, mostly white. "I am not anti-affirmative action," he says. "I am just against the way it is being used. It's something that started out good and now has gotten out of hand."

Williams and Smith reflect an increasingly acrimonious debate among African Americans about the effectiveness and desirability of affirmative action. On one side of the argument, a small but widely publicized group of black neoconservatives contends that efforts to combat racial discrimination through quotas, racially weighted tests and other techniques have psychologically handicapped blacks by making them dependent on racial-preference programs rather than their own hard work.

Shelby Steele, an English professor at California's San Jose State University, has emerged as the most eloquent proponent of this view. He asserts that affirmative action has reinforced a self-defeating sense of victimization among blacks by encouraging them to pin their failures on white racism instead of their own shortcomings. Says he: "Blacks now stand to lose more from affirmative action than they gain."

On the other side, the heads of civil rights organizations—and most African

"There's nothing new in the statement that we can and should do more for ourselves," says John Jacob, president of the National Urban League. "It's not a debatable issue." But, say supporters of affirmative action, expecting blacks to pull themselves up by their bootstraps alone is unrealistic. Argues Benjamin L. Hooks, executive director of the National Association for the Advancement of Colored People: "It's still the responsibility of the government to provide a good school system for us and fair and equal access to jobs."

Adding irony to the dispute is an often overlooked fact: government efforts to "level the playing field" by giving blacks special treatment were first adopted not by blacks or white liberals, but by conservative Republicans. In 1959 then-Vice President Richard M. Nixon, as head of President Eisenhower's Committee on Contracts, recommended limited "preferential" treatment for qualified blacks seeking jobs with government contractors. Following up that

al Government. In 1971 Nixon's Labor Department started the Philadelphia Plan, a quota system that required federal contractors in Philadelphia, and later Washington, to employ a fixed number of minorities.

Such efforts have vastly expanded job opportunities for blacks. But they have also touched off complaints from many whites that blacks are benefiting from reverse discrimination. Much of the anger is aimed at so-called race norming, in which scores on employment-aptitude tests are ranked on different racial curves. Whites usually score higher on such examinations than blacks and Hispanics. To be ranked in the top 99% of applicants on one widely used test, for example, a white applicant must score 405 out of a possible 500 points. To get the same ranking, a black would have to achieve a 355.

Even the strongest black advocates of affirmative action concede that it is not a perfect tool. Like Steele, they decry the widespread view among whites that virtually all blacks who are hired, promoted or gain admission to elite colleges are less qualified than their white counterparts. "There have been casualties—minority kids who are depressed or feeling incompetent because of the stigma," says sociologist Troy Duster of the University of California, Berkeley. Duster tells of a black student who complained to him, "I feel like I have AFFIRMATIVE ACTION stamped on my forehead."

For most blacks, the opportunities that affirmative action affords outweigh any potential psychological threat. Many reason that once they are on the job or in the classroom, their performance can erase negative stereotypes. Moreover, while many barriers to black advancement have been shattered, few African Americans have penetrated the top levels of corporate management. A recent survey by Korn/Ferry International shows that white males still control at least 95% of the real power positions in corporate America.

Faced with white opposition and their own misgivings about affirmative action, a growing number of blacks would prefer to moot the argument by expanding opportunities for all Americans, whatever their color. They believe that instead of fighting for a fair share of the crumbs from a shrinking economic pie, blacks should concentrate their energy on making the pie big enough to guarantee a slice for everyone. That would require improving schools so that every child could obtain the skills needed to be competitive in the labor market, a thriving economy that could provide a job for everyone who wants to work, and more access to capital markets for minorities who want to start their own businesses. Meeting those tasks is more difficult than parceling out opportunities according to a racial formula, but in the long run more worthwhile. ■



The head of the National Urban League in his New York City office

"There's nothing new in the statement that we can and should do more for ourselves."

—JOHN JACOB

Americans—insist that racial discrimination is so entrenched at all levels of U.S. society that only affirmative action can overcome it. They charge that Steele and other critics greatly understate white resistance to black progress. To support their view, they note that self-reliance has long been a part of the black gospel for advancement.

recommendation, John F. Kennedy issued an Executive Order in 1961 calling for "affirmative action" as the means to promote equal opportunity for racial minorities in hiring by federal contractors—the first official use by the government of the now controversial term.

Eight years later, Nixon, as President, beefed up the Office of Federal Contract Compliance Programs, which, along with the Equal Employment Opportunity Commission, has become one of the government's two main enforcers of affirmative-action policy. It oversees 225,000 companies, with a combined work force of 28 million, that do business with the Feder-



Meeting the press last week: whatever the verdict on his nephew, the Senator's words and deeds gave the incident a troubling new dimension

When in Doubt, Obfuscate

Ted Kennedy's handling of the Palm Beach rape case echoes an old pattern of recklessness, evasion and irresponsibility

By MARGARET CARLSON

The facts are different, but the drama surrounding the Kennedys' latest tragedy has a familiar feel to it—as if their family tradition includes rules on how to behave when they get into trouble. First, confine risky behavior to one of the vacation houses where the local police are malleable. Second, surround yourself with the best lawyers and investigators the combined trust funds can buy. Third, when finally cornered by the press, promise total cooperation and regret that you cannot say more because it might impede the official investigation. Fourth, impede the official investigation.

This strategy was so successful that Senator Edward Kennedy managed to keep his seat in Congress and even run a plausible campaign for the presidency after Chappaquiddick. The Kennedy approach is at work again in the investigation by Palm Beach police into charges that William Kennedy Smith raped a young woman on the grounds of the Kennedy estate during Easter weekend.

The 1,300 pages of official documents released last week show that the Senator initially stonewalled the police and that neither he nor his son Patrick, 23, a Rhode Island legislator, was truthful about what he knew and when he knew it. The first lie was told when the police showed up at the Kennedy home while the family was pre-

paring for lunch, shortly after 1 p.m. Sunday. William Barry, a former FBI agent who was a guest for the weekend, answered the door and told the officers that the Senator was not there and that his nephew might have already left town. In fact, both men were at the house, and a servant later told investigators that Barry and the Senator conferred in the kitchen right after the police left. Police say that when they phoned an hour later, a housekeeper told them Barry had taken the Senator and Smith to the airport. Yet Kennedy did not depart until the next day.

Kennedy maintained that he did not know any rape allegations had been made against his nephew until after he returned to Washington. He later conceded that "Barry indicated to me that he had a call for me from the police," but the Senator never called the investigators back. He did, however, try to call Miami defense attorney Marvin Rosen three times by Sunday night. (Rosen's partner is now representing Smith.) In his sworn deposition, Patrick says he and his father talked about Smith's "whacked-out friend" shortly after the first police visit.

In getting Smith a lawyer, Kennedy acted like any concerned uncle. But in other ways his actions were reckless and irresponsible. It was Kennedy who roused his son and nephew from a sound sleep on Good Friday night to ask, according to the Senator's own

deposition, "if they wanted to have a couple of beers." The three men then set out for Au Bar, Palm Beach's hottest club, thus setting in motion the chain of events that ended with the alleged rape. There they met the 29-year-old woman who later accused Smith, and Michele Cassone, 27.

Eventually, the five revelers returned to the Kennedy estate. What happened there is in dispute. According to the victim's deposition, Smith invited her to walk on the beach with him and then, as she attempted to leave, raped her by the pool. Smith refused to give police a statement, but Barry's son says he briefly saw two people lying on the lawn—which may raise some doubt as to whether force was used. Sometime between two and four in the morning, Cassone decided to leave. The victim, meanwhile, called a friend to pick her up. The next morning, according to Patrick's deposition, Smith told him that he had had sex with the woman.

Once the depositions were made public last week, Kennedy altered his explanation again, saying his failure to call back the police in Palm Beach was a "semantic misunderstanding." He said he was confused because Florida, like many states, uses the term sexual battery instead of rape. Yet the Senator's puzzling words and deeds have given the incident a new and troubling dimension: whatever judgment is ultimately passed on William Smith, Kennedy and others from his household may face obstruction-of-justice charges for misleading police. That would be a novel situation, for facing up to consequences is one thing that has not been part of the Ted Kennedy tradition. ■

A photograph of two men in dark suits and ties walking on a modern airport walkway. They are carrying briefcases and looking towards the right. The walkway has a glass and metal railing, and the background shows a large, curved architectural structure with a grid of lights.

Since Time Is Money, An Airline Should Help You Make The Most Of Your Investment.

At Continental, we believe an airline has a responsibility to keep you moving on the ground as well as in the air.

That's why we're investing in our people to help you make the most of your time even before you enter our terminal.

Through our nationwide network of reservationists and travel agent partners, you can take advantage of our convenient schedules to more than 200 destinations worldwide.

We're achieving new standards of service at ticket and check-in counters and baggage claim areas to minimize waiting.

Our Customer Service Representatives are there when you arrive to speed you on your way and help you make connecting flights.

And whether it's on the ground or in the air, we realize that if you have a problem, it's our problem. So we'll go that extra mile to keep you on schedule.

Continental is making a difference in how you spend your time.

But more importantly, how you save it.

© 1991 Continental Airlines, Inc.

Continental



**One Airline Can
Make A Difference.SM**

28^{1/2}V



The Sun SPARCstation family.
28.5 MIPS maximum.

What happened to the

Our maximum, 76 MIPS, is almost three times as fast as theirs. And our new Series 700 workstation family starts at 57 MIPS—exactly twice Sun's maximum.

The main reason for this enormous advance is our proven PA-RISC architecture. It enables our work-

stations to achieve a SPECmark of 72.2 versus Sun's 21.

Where SPARC architecture has just about reached its upper limits in speed, our PA-RISC has only just begun to fly. It's wide open for future leaps in performance

as dramatic as the ones we've just introduced.

And you can jump right in and start working in this UNIX* environment. The top applications are already ported to our new generation of workstations. And more than 3,600 applications

76



The HP Apollo RISC workstation family.
76 MIPS maximum.

old SPARC?

are now available on PA-RISC.

HP's open design makes it simple to fit our workstations into any multivendor network. This also protects your investment by keeping them open to future growth and upgrades.

These days, staying competitive is even more important than ever. The new HP Apollo RISC workstations will give you the edge for as little as \$12K for 57 MIPS and 17 MFLOPS. Or \$20K for 76 MIPS and 22 MFLOPS.

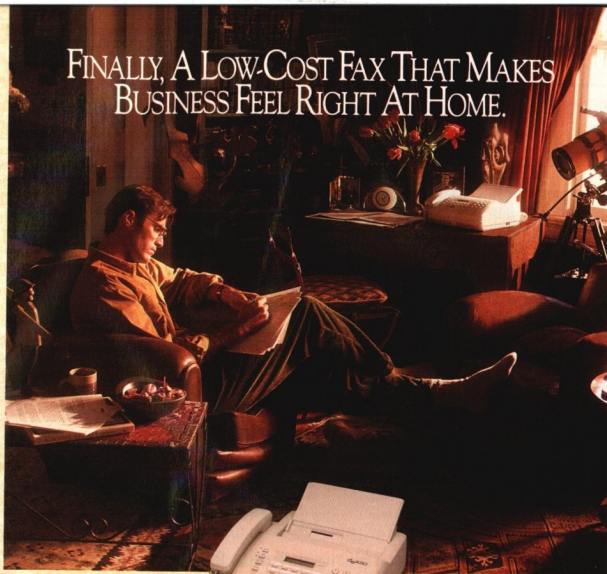
Call 1-800-637-7740, Ext. 2042

for more information. Then, instead of just striking a spark, you can set the world on fire.



**HEWLETT
PACKARD**

FINALLY, A LOW-COST FAX THAT MAKES BUSINESS FEEL RIGHT AT HOME.



After 50 years of creating total communication solutions for big business, Fujitsu is introducing a major innovation for small business: A fax designed to save you time, space and money—at home.

The Fujitsu dex® 80.

Without all the backup of a conventional office, your home business fax actually has to work harder. The dex 80 meets business demands at a price that's as easy to live with as its compact design.

An answer for one-liners.

The dex 80 has a built-in answering machine interface so when you're away you can receive both faxes and phone messages on your one phone



line. The full-function integrated phone handset is also a space-saver. It makes the dex 80 the only phone you need in your home office.

Prime cuts.

The dex 80 automatically cuts incoming documents to the length of the

originals. And with a transmission speed of 15 seconds a page, it can even help cut your phone bills (and keep your phone line free).

Right to privacy.

No more junk fax. The dex 80 lets you program up to 50 numbers for "selective rejection."

We make house calls.

So your home stays in business, the dex 80 is backed by a nationwide dedicated fax service network.

For more information on how the dex 80 is making business feel right at home contact Fujitsu Imaging Systems of America, 3 Corporate Drive, Danbury, CT 06810 or call 1-800-243-7046.

FUJITSU

The global computer & communications company.



Speak Softly and Carry A Big Hatchet

Faced with a fiscal crisis, Dinkins attacks New York City's \$3.5 billion shortfall with a draconian slash-and-tax budget, but his rebellious council has other ideas

By **BONNIE ANGELO** NEW YORK

There is no shortage of alarmist language to describe the fiscal vice that is crunching New York City. Disastrous, drastic, cataclysmic, catastrophic are some of the terms that Mayor David Dinkins, Governor Mario Cuomo and legions of curbstome commentators have used in recent weeks. The town that likes to think of itself as the capital of the universe is, in a word, broke. Within days there may be no money to pay its 243,000 employees, and on the horizon there is only more red ink and pain. In 1975 the city pulled itself up from a similar fate, but this time, officials insist, the situation is even worse. The recession—added to the high costs of dealing with the rise in drugs and crime, homelessness and the AIDS epidemic—has aggravated already overwhelming urban problems.

Seeking to close a \$3.5 billion gap in the city's \$28.7 billion budget for the fiscal year beginning July 1, Mayor Dinkins has proposed unprecedented cuts in public services, \$1 billion in tax increases and the elimination of 27,000 jobs. In an exercise of political brinkmanship, the mayor has targeted many worthy projects. He would slash education by \$579 million, which means fewer teachers and larger classes—even as enrollment leaps by 18,000 this year. He has marked 10 homeless shelters for closing. With tears in his eyes, Dinkins announced cuts in the infant-mortality program.

The list of threatened programs goes on and on—and every agency and special-interest group in the city is crying out in protest. "If Dinkins is using these programs as bargaining chips, it is a cynical and irresponsible position," says Mary Brosnahan, director of the Coalition for the Homeless.

What Dinkins calls "doomsday" comes on May 25. If by that date New York State's legislature does not enact a budget, which is already seven weeks late, the city will have no operating funds and its credit rating will probably be dropped below the A—currently given by

Standard & Poor's. That could add millions of dollars to the city's interest payments when \$600 million in bonds goes on the market June 4.

No matter what the state legislature does, Dinkins is headed for a showdown with his own city council. The council favors a different budgetary approach, based on \$639 million in new taxes instead of the mayor's \$1 billion. In addition, council members want to

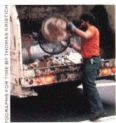
pare down the city's overgrown bureaucracy, targeting 14 agencies and offices for elimination or transfer of functions. In dealing with unions, the council would tie wage settlements to productivity, an innovative idea in a city where unions still have clout. Says council speaker Peter Vallone: "The days of tax and spending are over, not just in New York City but everywhere." The city council also opposes the heavy increase in real estate taxes that Dinkins is seeking. "Business and residents would flee," Vallone warns.

Evidence of bureaucratic bulge is larded throughout the entrenched establishment that serves the five boroughs. City comptroller Elizabeth Holtzman notes that 50,000 jobs were added in the '80s, "when times were flusher." According to the Census Bureau, the city has 575 employees per 10,000 residents, in contrast to 344 in San Francisco and 146 in Chicago. (Only Washington, with 788, is more bloated.)

Dinkins claims he inherited much of his fiscal problem from his predecessor. Back in 1981, federal aid made up 17.9% of the city's budget; now it is only 9.3%, which translates into a difference of \$1.2 billion. Moreover, revenues have fallen steeply since the stock-market crash of October 1987. But this does not shield Dinkins, a gentle and well-liked man, from criticism that he failed to act more decisively when he saw the storm brewing. He is faulted in particular for giving in to the teachers' demand for a 5.5% raise, setting off similar demands from other unions. Council president Andrew Stein, who has an eye on the mayor's job, grumbles that Dinkins' painful measures are "an attempt to put pressure on the unions and set the stage for big tax increases. It is all too late and too risky." In spite of the sharp divisions between the mayor and his critics, however, both sides agree on two fundamental points: a budget will be passed, and some way must be found to keep the city functioning.

—With reporting by Kathleen Adams/
New York

TARGETED FOR CUTS



The sanitation department is trashed, taking 2,000 jobs from the littered streets. Recycling is postponed for a year, and rat control is cut back. Consulates and nonprofit organizations will soon have to pay for their garbage pickup.



One out of four streetlights will be doused, although the number of robberies rose 7.4% in 1990. In an exception to relentless cuts, 600 police will be added, a reminder that Mayor Dinkins came into office promising a tough law-and-order policy.

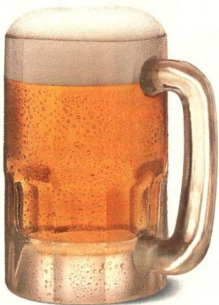


The newly renovated Central Park Zoo, an endangered species, may be saved by a private donor. Thirty-two swimming pools will be dry, and miles of beaches will post no swimming signs, as the parks department takes the biggest budget hit.



Reading between the lions will be harder: New York Public Library will be forced to reduce service and close dozens of branches. Museums and city-aided performing arts must also shrink their programs.

**Good beer keeps its head.
You should too.**



This Memorial Day, remember. Think when you drink. *Miller.*

American Notes



Translucent polyester filament Microscopic type

CURRENCY

Foiling the Fakers

With the advent of sophisticated color copiers, the Bureau of Engraving and Printing is nervous about high-tech counterfeiting. Last year alone, officials seized \$66 million in bogus money. To foil would-be counterfeiters, the bureau is gearing up to print new bills, the first major change in U.S. paper currency since 1929.

The modified money will contain a polyester filament imprinted with minuscule letter-

ing and running from the top of the bill to the bottom. The thread on a \$100 bill, for example, will bear the lettering USA 100. Visible only if held up to direct light, the thread cannot be duplicated by copiers, which use reflected light. The new currency will also contain microengravings around the portrait. First to be circulated will be the \$100 denomination, which should appear by late summer. The bureau is starting with big bills, says spokesman Ira Polikoff, "because those are the most susceptible to counterfeiting." Next on the drawing board: \$50 and \$20 bills. ■

SUPREME COURT

48 Hours On Ice

A person who is arrested without a warrant is entitled to a "prompt" ruling by a judge to determine whether the arrest

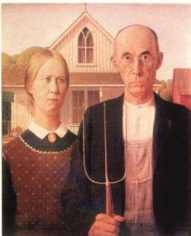
was lawful. But what does "prompt" mean? Last week the Supreme Court held, in a 5-to-4 vote, that suspects may generally be jailed for as long as 48 hours. While the decision was in line with the court's recent law-and-order tilt, there was a surprise dissenter: conservative

AGRICULTURE

The Red Tape Made Me Do It

Honesty may still be the best policy—but it is not always the one they are following out on the back forty. In a poll of readers by *Farm Futures*, a Minnesota-based agriculture magazine (circ. 205,000), more than half the respondents thought farmers' ethical standards had slipped during the past 10 years, and 30% admitted that they occasionally stretched the rules. The lapses often involved cheating on income taxes and government programs. Red tape seems to be a leading cause of the ethical backsliding: 60% of those polled agreed that "it would be impossible to make a living if farmers fol-

lowed all the rules and regulations made in Washington." Environmental concerns also took a back seat to economic self-interest, says Claudia Waterloo, *Farm Futures*' editor in chief. "Only 70% of the farmers we surveyed said they'd notify authorities if pesticides spilled into a creek." ■



How to keep 'em honest down on the farm?

THE GULF WAR

Off the Hook?

U.S. taxpayers may finally have something to cheer about. Despite dire predictions, government auditors announced last week that incoming payments from foreign allies should cover most U.S. expenses for the gulf war.

Sean O'Keefe, the Defense Department's comptroller, told the House Budget Committee that the war and its aftermath are expected to cost \$60 billion. So far, American allies have given the U.S. \$37 billion out of \$55 billion in pledged assistance. Any difference between those contributions and actual expenses, said O'Keefe, would be paid out of the \$15 billion that Congress approved in March. But those funds may not be needed: the General Accounting Office believes that the cost of the war will be lower than Pentagon estimates. If so, allied contributions should cover the whole bill. ■

LAW ENFORCEMENT

Crimes of The Heart

Calling Robert John Koch a ladies' man is an understatement. Police say Koch, 51, is the "Sweetheart Swindler," a cunning con man who left broken hearts and empty bank accounts across the country during 10 years of scams that involved more than 100 women. Authorities believe that Koch may be involved in fraud cases in 28 states, from California to Virginia. Says police detective Kenneth Kopesky of Kenosha, Wis.: "He tells lonely women he's rich, and wines and dines them. The next thing you know,



Some of Koch's false ID cards

he cons them out of their money."

Koch, who has 100 aliases, was arraigned this month in Kenosha, where he was charged with bilking a 48-year-old woman out of \$10,200 during a 10-day romance. After Koch proposed to the woman and the two went shopping for a wedding ring, she gave him money from a second-mortgage loan. Her friends, suspicious of Koch, hired a private investigator. Shortly after Koch's arrest became public, Kenosha officials began to receive reports from police departments around the country. If convicted, Koch faces up to 20 years in prison in Wisconsin alone for theft and forgery. ■



“We’re convinced if it had been any other automobile, my husband would not have lived through his accident.”

Christine Gutterman, Sarasota, FL., Driving: 1988 760 Turbo Wagon

“The police and others at the scene of the accident said the seat belt and my Volvo saved my life.”

Claudette Austin, Warwick, NY
Driving: 1981 240 Sedan



“The police said I was lucky to be driving a Volvo because I wouldn’t be here if I was driving something else.”

Sandra Barnett, Atlanta, GA., Driving: 1988 240 Sedan

FOR GREAT SAVINGS, GE

Each year, Volvo receives many letters with quotes similar to the ones you’ve just read. And that makes us feel pretty good. Because

we’ve been engineering ways to make Volvo a stronger, safer car, ever since we’ve been making Volvos. We think we’ve been ver,



“I’m certain I escaped injury or possibly even death only because I was driving a Volvo.”

Carol Wagner, Roseville, MN. Driving: 1978 240 Sedan

“I believe I’m alive for two reasons. I was wearing my seat belt and I was in a Volvo.”

Dawn Gregerson, San Clemente, CA
Driving: 1980 240 Sedan



“There was much talk at the rescue scene that the Volvo had saved our lives.”

Joseph Taylor, Sherman, CT
Driving: 1987 240 Sedan



TA QUOTE ON A VOLVO.

successful in our efforts. But, as the sentiments expressed above suggest, you don't have to take our word for it.

VOLVO
A car you can believe in.



● SOUTH AFRICA

Lay Down The Spears!

Despite De Klerk's progress in chipping away apartheid, violence among blacks threatens further reform

By GEORGE J. CHURCH

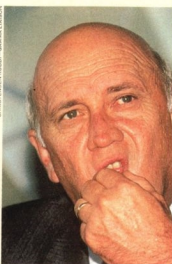
Spears, clubs and battle-axes might seem to be totally outmoded weapons in an age of laser-guided bombs. But in South Africa they retain some power—in one sense, more power than Winnie Mandela. Contrary to many expectations, it is the carrying of those supposedly “ceremonial” weapons by Zulus, not the possible jailing of Winnie Mandela, that has emerged as the chief obstacle to continuation of black-white negotiations on the nation's future.

Winnie's followers in the African National Congress, who call her Mother of

the Nation, did shout outrage at her conviction last week by a white judge (South Africa does not have jury trials). Mandela and two codefendants had been accused of kidnapping four young black men from a Methodist minister's home in Soweto in December 1988 and beating them in a back room of the Mandela house. Judge Michael Stegman found Winnie to be only an accessory to the assault but decided that she had planned the kidnapping. Denouncing her as a “calm, composed, deliberate and unblushing liar,” he sentenced her to six years in prison.

Winnie Mandela, however, is free on minimal bail—roughly \$70—and pursuing

CHRISTOPHER NIGODI—GAMMA LIAISON



De Klerk: Winning a postapartheid electi

an appeal that could take many months to be decided. Even if she loses, there is speculation that State President F.W. de Klerk will pardon her rather than jail the wife of his main partner in negotiations to shape a multiracial regime. That partner, A.N.C. deputy president Nelson Mandela, took a mild line. He expressed confidence that his wife's name would eventually be entirely cleared and said he would continue talking to De Klerk.

But negotiations were at the breaking point anyway because of those spears and battle-axes. To the A.N.C., at least, they have come to symbolize the black-vs.-black violence that has been tearing the nation



The Dismantling of Apartheid's Restrictions

Changes

■ **Social:** All "petty apartheid" laws—segregation of beaches, libraries, parks, sports teams and the like—are gone. Racial intermarriage is permitted.

■ **Economic:** No more jobs are reserved by law for whites. Black unions are allowed.

■ **Educational:** White schools are allowed, though not required, to accept black pupils.

■ **Political:** Formerly banned political parties are legalized. Many, though not all, political prisoners have been released. Laws that permitted people to be "banned"—restricted in travel, unable to speak in public or be quoted in the press—have been repealed. "Pass" laws that required blacks to carry internal passports and produce them on demand are gone.

Pending

■ **Land:** Laws that forbid blacks to live in white areas and buy land outside tribal "homelands" are scheduled to be repealed by the end of June.

■ **Classification:** Racial classification of everyone at birth has been abolished; classification of the existing population will continue, however, until a new constitution is adopted.

■ **Old Laws:** Mentions of race are to be removed from statutes covering matters ranging from workmen's compensation to the use of national parks by an omnibus bill slated for enactment soon.

Still In Place

■ **Voting:** The big one. Blacks will not have the right to vote, hold office or join in governing the nation until negotiations produce a new constitution.

■ **Local:** Provincial (state) and local authorities have ways of maintaining apartheid, despite national law—for example, by privatizing such facilities as campgrounds and swimming pools.

townships apart. Fighting between supporters of the predominantly Zulu Inkatha Freedom Party and A.N.C. backers has claimed more than 200 lives just this month and at least 1,000 so far in 1991. Archbishop Desmond Tutu voices grief that a weekend body count of 15 dead has come to be considered hearteningly low.

A.N.C. leaders charge that white police have failed to prevent or actually fomented Zulu attacks on A.N.C. supporters, allegedly because the ruling Nationalist Party favors Inkatha as a presumably more pliable partner in a postapartheid government. So the supposedly more militant (indeed communist-allied) A.N.C. has been driven into

the ironic position of demanding that the white government protect it from its fellow blacks—starting with a ban on the Zulus' "cultural" weapons. Zulus say tribal tradition requires them to carry the spears, clubs and battle-axes in public, but the A.N.C. charges that they are being used to kill its supporters.

The A.N.C. gave the government until last Wednesday to outlaw the weapons. But De Klerk would not go beyond a meek compromise offer, allowing the weapons to be carried only on genuinely ceremonial occasions. Rather than let yet another deadline—the third it has set in the past three weeks—slide by, the A.N.C. announced on

Saturday that it would suspend talks with De Klerk on a new constitution until he made "progress" in meeting its demands. The A.N.C. will probably also boycott an all-party peace conference called by the government for this week, but De Klerk insisted he would go ahead regardless.

Though the situation may seem to verge on farce (Suppose De Klerk gave a peace conference, and nobody came?), it is deadly serious. Continued negotiations would be unlikely to accomplish much anyway until after early July, when the A.N.C. holds its first congress inside South Africa in 30 years and De Klerk finds out whom he will be dealing with next. (Mandela is virtually certain to be re-elected, but other aging leaders who have operated for decades in exile may be replaced by younger blacks who have grown up in the segregated townships.) Nonetheless, Archbishop Tutu warned last week that a suspension of the negotiations now would almost certainly lead to still greater violence, which in turn would make it more difficult than ever to set up a new regime.

For all the violence, however, rapid progress is still being made toward breaking down apartheid. The gradual easing of restrictions that began in 1982 has accelerated considerably since De Klerk took office in 1989. His government has done away with the segregation of facilities, such as public parks and government hospitals—the last statutory vestiges of so-called petty apartheid—lifted the ban on the African National Congress and freed many political prisoners, most prominently Nelson Mandela. Now De Klerk is about to pull down what are generally regarded as the last remaining legal pillars of apartheid: the laws that forbid blacks to live in



Breaking down segregation: on a bus and at a school in Johannesburg

white areas or own land outside their tribal homelands and require that every South African be classified by race at birth. All are scheduled to be repealed by the white parliament before it concludes its term at the end of June.

That, of course, does not mean apartheid will then cease to exist. The legal structure built up over more than 40 years cannot be demolished quite that quickly, and provincial and local governments have ways of maintaining segregation even when it is no longer required by federal law, for example, turning swimming pools over to private operators or charging fees for the use of libraries that whites can afford and most blacks cannot.

Overshadowing everything else by far is the problem of framing a new constitution that would finally empower blacks to vote, hold office and share in governing the nation. Major differences remain, but De Klerk's government and Mandela's A.N.C. have already agreed on some important

ideas. The document, for example, must contain a bill of rights and set up a two-chamber legislature with some form of proportional representation. De Klerk reportedly told British Prime Minister John Major on a visit to London early in May that a constitution could be in effect and elections held in two to five years.

Some U.S. experts fear that De Klerk is endangering this timetable by "backsliding," seeking tactical advantage by playing black leaders such as Mandela and Zulu Chief Mangosuthu Buthelezi off against each other. But Mandela voices faith in De Klerk's sincerity, and De Klerk reportedly told Major that he recognizes that the future of South Africa can be settled only between his government and the A.N.C.

According to British sources, De Klerk also confided to Major that he expected some whites to emigrate to Canada, Australia or New Zealand rather than live in a state

with a newly empowered black majority. Simultaneously, though, he has speculated publicly about winning an eventual municipal election by putting together a coalition of the National Party, Inkatha and perhaps some other moderate-to-conservative black groups that could reap a substantial share of the black vote, and an overwhelming majority of whites.

Despite his moves to eliminate apartheid, De Klerk seems to have retained most of his white support. His main opposition, the right-wing Conservative Party has nothing to offer except a return to "grand apartheid" that most whites recognize to be impossible. Both South African and foreign experts agree that the dismantling of apartheid has gone too far to be reversed. But the big question remains: Can the now inevitable transition to a multiracial state be achieved smoothly by negotiation or only haltingly after more harrowing violence? —*Reported by Peter Hawthorne*

Cape Town, with other bureaus

The Mandelas: True and Loyal

Shortly after his release from prison 15 months ago, as photographers nagged him to hold his impatient wife tenderly for one more picture, Nelson Mandela took Winnie's hands and pressed them into his. "She'll do it for me," he said. "I'm the only one who can control her." That episode illustrated the deep bond uniting South Africa's two most prominent antiapartheid activists and the anchored strength it has given to their turbulent lives.

Ever since they married in 1958, Nelson and Winnie Mandela have maintained an extraordinarily close union under the most trying conditions. A potentially fractious match to begin with—he a formidable, eloquent, revolutionary lawyer; she a fiery, militant social worker 16 years his junior—the Mandelas have survived 27 years of separation dictated by Pretoria's imprisonment of Nelson for sabotage and conspiracy to overthrow the government by force.

The days of solitude may have helped solidify the marriage and increase Nelson's dependence on his wife. "Had it not been for your visits, wonderful letters and your love, I would have fallen apart many years ago," Nelson wrote Winnie from his Robben Island prison cell in 1979. His sense of family and corresponding feelings of guilt at having left her and their two daughters behind also helped cement the relationship. "I have often wondered whether any kind of commitment can ever be sufficient excuse for abandoning a young and inexperienced woman in a pitiless desert," he wrote in another letter.

As much as anything else, what entwines them is the cause that has impelled both of them to sacrifice so much of what a marriage ought to be. "I knew when I married him that I married the struggle, the liberation of my people," says Winnie in



The couple: strengthened by separation

her 1984 autobiography. Over the years, however, Winnie became something of a loose cannon, detonating one major political explosion after another.

Although she claims to have been misquoted, in 1986 she embarrassed the then banned African National Congress with a speech encouraging blacks to seek freedom "with our boxes of matches and our necklaces"—a reference to a grisly form of execution carried out by lighting gasoline-filled tires around the necks of suspected government collaborators. She surrounded herself with a group of young bodyguard thugs known as the Mandela United Football Team who took it upon themselves to terrorize opponents—real or imagined—in the black township of Soweto. Increasingly imperious, Winnie was denounced in 1989 by other black leaders for having "violated human rights ... in the name of the struggle against apartheid."

She visited Nelson in prison shortly afterward, and though it is not known what he told her, a chastened Winnie immediately lowered her profile.

Ever the careful lawyer, Nelson vowed last week not to let Winnie's conviction undermine the task of reconciling South Africa's whites and blacks. In a speech to white students outside Cape Town, he urged everyone to "leave this matter with the courts." That is not to say he intends to do the same thing personally. As he told his A.N.C. colleagues at the start of the trial earlier this year, "My wife has been true and loyal to me over the last 27 years in which I've been imprisoned. I was unable to give her that protection. I'm now here, and I'm ready to give her that." —*By Alain L. Sanders. Reported by Peter Hawthorne*

Cape Town

You've analyzed. You've agonized.
You've listened to all the experts. And
now that the future's here, where are

gets your current computers working
together. We take what you have and
make sure it works with what you need.

anyone could do it. But by solving tough
problems for big companies and small
companies and governments every-

IF EVERYONE WAS PLANNING FOR THE FUTURE, HOW DID THINGS GET SO MESSED UP?



you? Trying to cope with an unmanageable mishmash of computers. A system that has become more liability than asset. Are we overstating the problem? Not to the guy who's got to tell the boys upstairs exactly what went wrong and how much money he needs to fix it. But don't be rash. Before you do that, give us a call. We can develop a system that

Protecting your investment, eliminating waste, controlling costs. We don't have a crystal ball. But what we can promise you is an information system that builds in all the freedom and flexibility you need to be ready for the future. Whatever the future happens to be. Of course, we're not saying this is easy. If it were,

where, we've become one of the largest suppliers of information technology in the world. Call 1-800-233-BULL, ext. 2100. 1-800-268-4144 in Canada. After all, why have an information system that's confounded by the future. When you can just as easily have one that's completely at home there.

Worldwide
Information
Systems

Bull



We solve the toughest problems in the world.





The name Mitsubishi means "Three Diamonds." And for 75 years, the triple diamond has represented the company's unbending quality standard.

porates ETACS-IV™—a system that quietly extends ten courtesies, from automatic doorlock above 12 mph, to automatic headlight shutoff.

engineering: from rigid passenger shell buffered by a crumple zone, to driver-side airbag and ABS anti-lock brakes.*

All told, the Diamante offers more

INTRODUCING DIAMANTE. A NEW LUXURY PERFORMANCE SEDAN, BRILLIANT IN EVERY FACET.

Now, on the eve of its diamond anniversary, Mitsubishi Motors proudly announces the highest expression of that standard—the new Diamante. A new luxury performance sedan so thoroughly accomplished, it has already won Japan's coveted "Car of the Year" award. Against a field that included the Acura Legend, Acura NSX and Infiniti G20.

Everywhere, the Diamante's design reflects a quest for integration and balance.

Beginning with a V6 engine that is powerful, achieving 202 horsepower in the 24-valve version. Yet also serenely smooth and quiet, befitting a luxury sedan.

Likewise, the suspension is fully independent, with a multi-link rear design, to strike a balance between tenacious roadholding and a gentle ride.

These handling traits can be enhanced, in the Diamante LS, with optional Active-ECS™ (electronically controlled suspension) and TCL™ (dual-mode traction control).

A gracious host, the Diamante incor-

Every object in the cabin exudes quality, both to the eye and to the touch. The computer-designed front seats provide

performance, luxury and technological innovation than many established luxury cars. Even some costing considerably more.



extra support at anatomical centers of gravity. Virtually every luxury amenity is available, from leather seating surfaces to complete prewiring for an optional cellular phone.

Of course, this wealth of performance and luxury is blended with exhaustive safety

You are invited to take a test drive and judge for yourself. Please call 1-800-447-4700 for your nearest Mitsubishi Motors dealer.

MITSUBISHI 
The word is getting around.™

*ABS optional on Diamante, standard on Diamante LS.

SHARP THINKING

Sharp Is The No.1 Fax In America. Shouldn't Sharp Be Your No.1 Consideration?



FO-6000

Today, new business needs demand new thinking about fax technology. Sharp Thinking. It's why of over 70 brands, Sharp has sold more fax machines than any other company in America.

Sharp Thinking made the world's first desktop full color fax a reality. And created affordable plain paper laser fax machines that produce documents of unsurpassed quality. That same innovative thinking is built into every Sharp fax.

With more Sharp fax machines in use across the country, you're more likely to connect to a Sharp fax. In most cases that gets you faster transmission speeds and saves you money on telephone line charges. Don't be fooled by competitive claims. When you're thinking fax, you would be smart to think Sharp.

To learn more about the number one selling line of fax machines, call 1-800-BE-SHARP.

SHARP
FROM SHARP MINDS
COME SHARP PRODUCTS™

© 1991 Sharp Electronics Corporation

BANKING SYSTEMS • CALCULATORS • COLOR SCANNERS • COMPUTERS • COPIERS • ELECTRONIC CASH REGISTERS & TYPEWRITERS • ELECTRONIC ORGANIZERS • FACSIMILE • LASER PRINTERS

DISASTERS

There Must Be a Better Way

With famine, floods and refugees demanding attention, providers of emergency aid think the time is ripe for change

By JAMES WALSH

A few days after the latest cyclone ravaged Bangladesh, Mother Teresa arrived from Calcutta with 1,600 lbs. of relief supplies. It took a day for officials in Dhaka to decide how to deal with her. Since the Nobel Peace laureate had flown in on a commercial flight, some officials argued that the materials needed to go through customs. About a month earlier, when Iraqi Kurds began fleeing en masse from Saddam Hussein's soldiers, the Iranian army struggled to cope with thousands of dying children. They were treated with antibiotics instead of rehydration salts, a more effective means of staving off life-threatening diarrhea.

Improvements in communications and transportation have made the world's disasters no easier to handle. Even with better warning systems, reactions can be snail-paced, ill-considered and futile. The first days following a catastrophe are the most critical for survivors. The demand for speed, however, is precisely what the world's complex disaster-relief network is not geared to meet. Says Nicholas Hinton, director general of Britain's Save the Children Fund: "Disaster relief is proving to be inadequate and ineffective. It should be reformed as a matter of urgency."

But how? Major powers such as the U.S. are reluctant to take on the duty, let alone the cost, of intervening unilaterally. Should the United Nations assume the chore? In the wake of more than 30,000 Kurdish deaths and perhaps as many as 140,000 killed in Bangladesh's April 30 storm, many reformers pin their hopes on the organization. "Only the U.N. has the power and resources to mobilize the international community, but too often it has been hamstrung by a lack of clear leadership and coordination," argues Lynda Chalker, the British Minister for Overseas Development. Britain hopes to win agreement on the need for a U.N. agency with clout at the July Group of Seven economic summit in London.

Even though the U.N. is theoretically above politics, reformers are far from unanimous about using it. The track record is not encouraging. Notes François Dumaine, a logistics expert for the French volunteer

medical team Médecins sans Frontières: "It takes the U.N. a month and sometimes longer to organize rescue operations." Adds Serge Telle, a technical adviser to France's Secretary of State for Humanitarian Affairs, Bernard Kouchner: "The U.N. relief agencies are plagued with chronic financial difficulties because of the West's indifference. On the one hand, we say everything has to go through the U.N.; on the other, we settle everything at the bilateral level."

The U.N. already has agencies dedicated to handling emergencies: the High Commissioner for Refugees, for instance,

vegetation, he adds, Washington pre-positioned 30,000 tons of supplies before the famine last year in the Sudan.

But the U.S. budgeted just \$10 million for disaster detection and preparation this year, while private charities are being whipsawed by conflicting demands. Says Marcus Thompson, Oxfam's emergencies director: "We are going flat out everywhere." What about a multinational force independent of the U.N.? The belated but effective intervention in Bangladesh by 12,000 U.S. soldiers suggests that a military-style operation might be the answer. In the Washington Post, columnist Jim Hoagland called on the U.S. to use its armed forces for other emergencies in the future. Yet developing countries often balk at U.S. intervention. On the other hand, a reserve multinational rapid-deployment force headed by Japan and with standby units in other nations might be more acceptable.



U.S. troops providing a lifeline to the luckless Kurds: Is a military-style reserve force the answer?

and the Disaster Relief Coordinator's office. But the criteria of the former confine it to aiding persecution victims who cross borders, while the latter commands few resources and little authority. Officials in afflicted nations often bypass the U.N. and appeal directly to foreign governments and private charities such as Britain's Oxfam.

Help at this level can be generous, and aid-giving countries have notably eased some disasters. Andrew Natsios, director of foreign disaster assistance for the U.S. Agency for International Development, says as many as 350,000 Bangladeshis were saved this time, thanks to a U.S.-built cyclone-warning system. Natsios also points to U.S.-supplied volcano and earthquake monitors and a Chilean tidal-wave-alert network. With satellite analysis of African

Some Japanese officials are leaning toward using their military in disaster relief. Says Foreign Minister Taro Nakayama: "The Ground Self-Defense Force has many transport helicopters available, as well as technical units trained in disaster recovery operations. We should debate this." Yoshiaki Nemoto, a Japanese Red Cross official, agrees that the military, if forbidden to wage war abroad, could be used to better purpose. "The gulf war provided a rare chance for the Japanese to face the issue and make a step forward," says Nemoto. At present Tokyo tends to resist the idea as unrealistic. When the world is not overwhelmed by calamities, it seems, it is drowning in unrealistic ideas.

—Reported by Anne Constable/London and Farah Nayeri/Paris, with other bureaus



The Secretary crosses into Israel: lots of miles but not much forward progress

MIDDLE EAST

On the Bridge To Nowhere

Why the U.S. is having so much trouble bringing Arabs and Israelis to the negotiating table

By LISA BEYER

Usually, busy diplomats travel from Amman to Jerusalem by air, but James Baker took the less traveled path last week and made the trip by road. With his two-hour drive, the Secretary of State wanted to underscore just how close the two adversaries are. But his stroll over the Allenby Bridge spanning the River Jordan, which marks the border, made the equally telling point that both sides are loath to come together. The two Jordanian officers who accompanied the Secretary midway across the bridge and the waiting Israeli escort spoke not a word to one another.

Baker's lonely crossing was an apt symbol for his fourth peace mission to the Middle East since the end of the gulf war. The Secretary has logged 67,500 miles in two months trying to convince the Arabs and Israelis that they should just get together to talk, but his guests would not budge from positions that make a broadly based parley impossible. Israel would not agree to a United Nations presence at such a conference, while Syria said it would not

attend without U.N. participation. Israel insisted that the U.S. and Soviet Union be present only for an opening assembly, then allow the Jewish state to negotiate individually with the Arab parties. Syria demanded that the third parties remain involved throughout, hoping this would make Israel more pliable.

Baker's wanderings were not completely fruitless. He did manage to squeeze out of Israel an agreement that might finesse the problem of who would represent the Palestinians in talks. Israel has refused to sit down with Palestinians from East Jerusalem, which Israel annexed in 1967, or with those from the occupied territories who have ties with the Palestine Liberation Organization. But now the Israelis have acquiesced to a joint Jordanian-Palestinian delegation, giving rise to speculation that its members might include Palestinians living in Jordan who are originally from East Jerusalem or are linked to the P.L.O.

Still, that breakthrough was an enormous letdown from the high hopes generated during the gulf war. Then, the conventional wisdom held that new alliances

and new thinking might create an environment for making progress in settling the Arab-Israeli conflict. But as Baker's frustrations illustrate, no outside power can impose a solution; the bickering factions must want peace themselves. And the evident truth is that they don't, or at least not badly enough. "The only party willing to move is the Palestinians," says a senior Western diplomat in Washington, exaggerating only slightly. "And no one," he adds, "gives a damn what they want." Where the other major players stand:

ISRAEL Confidence is the basis of Prime Minister Yitzhak Shamir's intransigence. Israel has the lands the Arabs want back—the West Bank, Gaza Strip and Golan Heights—and does not anticipate being forced to return them. Only a defeat in war would bring that about, and who would deliver it? Iraq, previously Israel's fiercest enemy, has been neutered. Syria can no longer rely on now impoverished Moscow to bankroll its military machine, which runs on Soviet technology that was shown to be inferior in the gulf war. Egypt, which made a separate peace with Israel in 1979, is not interested. And in any event, Israel has nuclear weapons, a tough and proven military and a close alliance with the world's remaining superpower.

Moreover, Shamir enjoys the support of a majority of Israelis in holding on to the occupied territories, at least for the present. Iraq's Scud attacks on Israel during the war and Palestinian support for the bombardments heightened distrust of Arab intentions among Israelis. Even the opposition Labor Party seems reluctant to yield too much of the occupied lands; leader Shimon Peres suggested recently that he was not eager to give up the Golan Heights.

SYRIA President Hafez Assad's behavior is motivated mostly by one aim: the return of the Golan Heights. Outclassed by the Israelis militarily, the Syrians believe that their best chance rests in having outsiders pressure the Jewish state to abide by U.N. Resolutions 242 and 338, which call on Israel to trade land for peace. Thus Damascus will not settle simply for a one-on-one session with Israel. At the same time, Assad is tempted by the opportunity he sees in Saddam's humiliation to take his old rival's place as the No. 1 radical Arab strongman.

SAUDI ARABIA Grateful to the U.S. and the other allies for saving them from Saddam, the Saudis suggested in the midst of the crisis that they would adopt a new openness toward Israel. But now that the kingdom is safe again, the old hostility is back. It took a diplomatic bludgeoning by the U.S. to get the Saudis and the other

BY NANCY CARLSON FOR TIME

gulf states to agree earlier this month to serve collectively as an observer to a Middle East conference and to participate in talks with Israel on regional issues like water distribution, economic development and arms control. Worried about a backlash by Saudi conservatives, King Fahd is hesitant to go any further. The Saudis want to keep the U.S. happy in case their security is threatened again. Given U.S. reliance on gulf oil, however, the Saudis also realize that they do not have to be servile to Washington.

JORDAN U.S. officials think King Hussein badly wants to take part in the talks, in part to get back in Washington's good graces after leaning toward Saddam in the war. But last week the King refused to accept Baker's proposal for a parity for fear of incurring Assad's wrath. Asked whether he would attend a peace confer-

ence without Syria present, he replied, "I haven't said that." Would he attend if Syria did too? "I haven't said that, either."

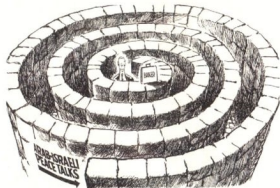
THE U.S. Faced with the Kurdish tragedy and Saddam's tenacious hold on power, the Bush Administration clearly needs a diplomatic victory. Certainly Baker does not appear to be preparing to quit anytime soon. On his way home last week, he stressed the positive accomplishments of his mission and said little to dampen expectations for more progress.

Baker's strategy is to cajole, not push. If he makes no headway, there is the possibility of twisting arms. Leaning on Israel is the most obvious tactic, since Jerusalem receives more than \$3 billion a year from Washington. But threatening Israel's lifeline would mean a vicious fight with both Congress, which is more pro-Is-

rael than the Administration, and the powerful Israeli lobby in the U.S. What's more, Administration officials have learned from experience that the tougher they get with Shamir, the tougher he gets in return.

Thus a more likely next move for Bush, should he decide a new approach is needed, would be to cut through the tiresome deliberations over procedure and call a conference of his own design in Washington. The invitations in effect would be a dare to the recipients to say no. Alternatively, the U.S. might focus its efforts just on mending bridges between the Palestinians and Jordanians and the Israelis. That would be a less ambitious project than working for a broader peace, but for that reason it is perhaps a more realistic one.

—Reported by J.F.O. McAllister with Baker, Christopher Ogden/Washington and Robert Slater/Jerusalem



The Political Interest

Michael Kramer

Baker's Real Agenda: 1992

"The mutual hostility of Arabs and Jews [has always been] of the severest sort. Because most of their disagreements stem from differences in ideology and religion, they have never been able to settle them by peaceful arbitration."

Whatever else may have changed about James Baker's world view since he wrote those sentences in his Princeton thesis 40 years ago, the Secretary of State's underlying pessimism about the prospects for peace in the Middle East has remained constant. As the most political of diplomats, Baker shares Irving Kristol's observation: "Those whom the Gods would destroy they first tempt to resolve the Arab-Israeli conflict." So why has Baker now joined a long line of U.S. leaders who have attempted to do just that?

"Well," says a senior Administration official, "we promised to try. We didn't exactly link dealing with Saddam to a serious attempt to waddle around in this mess afterward, but that was clearly the President's message to the Arabs, and we are deter-

mined to keep our word. None of the toing and froing may go anywhere, which is obviously where you'd have to put your money if you cared to bet, but history shows that whenever a Middle East peace process is at least perceived to be ongoing, the chances for war recede."

All of that is fine, and undoubtedly true, but there's another reason for Baker's frenetic shuttling—the securing of George Bush's re-election in 1992. Many American Jews harbor an inchoate but visceral belief that while Ronald Reagan and George Shultz were seen as instinctive friends of Israel, Bush and Baker are at best neutral toward the Jewish state. "We've reinforced that perception with a series of statements viewed as unfairly squeezing Israel," concedes a State Department official, "but if we can generate even a little progress—or just the appearance of progress—the hostility should fade."

Even a minor Middle East peace conference will help ease the suspicions about Bush and Baker. "Never mind a full-blown Arab-Israeli sit-down," says a White House aide. "If the Israelis and some West Bank Palestinians can be brought to the table to discuss anything at all, we can then say that we advanced the state of play with respect to where our predecessors left it—and that should help us domestically."

Toward that goal, Baker will cajole and maneuver—but serious pressure on Israel is unlikely. Baker truly believes that the parties themselves have to want peace if anything is to change. A flawed compromise (which in the current context means a solution that results from superpower arm-twisting), Baker wrote in his senior paper, "would alienate both parties and would, in the long run, be worse than adopting either's... all-out solutions." So while the Administration considered telling the Israelis that aid would be frozen unless they stopped building settlements on the occupied West Bank, few top officials advocate such a hardball move anymore. "Even if we tried that," says a Bush adviser, "Congress would kill us. They're up for re-election in '92 too."

What if nothing moves on the peace front, and American Jews conclude that Bush has tilted too far toward the Arabs in his attempt to jump-start the process? Then the nation will hear some words in a 1992 campaign speech designed to mitigate the political fallout. As already conceived in draft form, Bush's message will run something like this: "We proved in Kuwait that we will shed blood to preserve a nation's integrity. We will do the same for Israel if we have to. Can you really be sure that an untested Democratic President would do the same?" A thin reed, perhaps, but probably enough to stem a wholesale defection of Jewish voters. ■



An Eritrean guerrilla takes shelter in his hillside bunker: no one is eager to storm the capital

ETHIOPIA

Uncle Sam Steps In

As the Mengistu regime verges on collapse, the U.S. tries to avert a slaughter by brokering peace among the competing factions

By LISA BEYER

With the rebels only 75 miles from the capital, the President discredited and the army demoralized, the script would seem to be preordained for Ethiopia. Liberia and Somalia have provided the worst kind of models in the past year: the government falls, blood splatters the capital, thousands flee the country, tribes and clans clash, anarchy prevails. This time, the foreshadowing has prompted an earnest attempt to rewrite the scenario. The chief scribe is the U.S., which until recently, when the Soviets became less active in the region, had little influence over Ethiopia's quasi-Marxist combatants.

The latest effort to mediate the conflict was sparked by what appears to be the imminent collapse of Lieut. Colonel Mengistu Haile Mariam's regime. Mengistu, whose 14-year reign of terror rivals that of Saddam Hussein, has been written off before, only to survive. But since late April, when Tigrean-led Ethiopian People's Revolutionary Democratic Front guerrillas pushed as far south as Ambo, putting almost all of northern Ethiopia in rebel hands, the consensus has been that Mengistu is a goner. "It brought home that the 30-year cessaw of rebel victories and then government victories had irretrievably dipped," says a Bush Administration official. "This is the end game."

The three main groups fighting the government—the E.P.R.D.F., an allied group of Eritreans fighting for independence and a smaller band of insurgent Oromos—are not eager to storm the capital, Addis Ababa, knowing that a bloodbath would ensue. Thus the U.S. is attempting to arrange a peaceful transfer of power to a broad-based transitional gov-

ernment that would rule the country until elections are held.

That would be a far better outcome than a flat-out rebel military victory, which would leave the Tigrean faction in a dominant position. The group's leaders, once Albanian-style Marxists who now espouse a blend of old-fashioned communism and American-flavored democracy, are widely distrusted in Ethiopia.

Washington-sponsored talks between the rebels and the regime are scheduled to take place in London next week. Mengistu, however, is a sticky problem. Those around him, sensing a dark future for the government, are keenly interested in negotiations. The President is showing signs of stress—he needs to take pills to sleep—but he still seems to think he can hold out. Says a U.S. government specialist on Ethiopia: "He's the type to hang on to the bitter end."

Washington still hopes to persuade Mengistu to step aside by turning his own logic against him. The President has claimed that he alone represents unity for Ethiopia against the secessionist demands of the Eritreans. But if there is no political settlement, the Americans will argue, the Eritreans are poised to win their independence by force. What's more, the U.S. will maintain, Ethiopia can remain intact even with Mengistu gone because the Eritreans, to everyone's amazement, say they will defer their dream of a separate state.

The last contention is rather weak, since it is unclear whether the deferment is only temporary; Eritreans refuse to cancel the referendum on independence that they



have long demanded for their region, which was not a part of Ethiopia until 1952, when the United Nations decided it should be annexed. Still, given the rebels' single-mindedness about the plebiscite in the past, that concession was considered a victory for the U.S.

Ethiopia has considerable strategic value because of its location on the Red Sea and its proximity to the Arab world. But the country, and others in the Horn of Africa, are no longer the geopolitical battleground that they were during the cold war, when Washington and Moscow backed rival clients in the area. U.S. officials maintain that the primary motivation for their involvement is humanitarian. Ethiopia is among the world's poorest countries, and always under the threat of famine.

However pure its intentions, Washington faces a monstrous task in trying to prevent another African slaughter.

"The chances are still strong that Mengistu will be stupid and dig in," laments a U.S. envoy. "Soon enough, the Tigreans will fight their way into Menelik Palace, and we'll have a disaster on our hands."

The rebels, who charge that government officials will use the talks to buy time, concur that the odds are against peace. "I don't think [the government] is serious," says Tesfai Ghermazien, the Eritrean group's spokesman in Washington, "but there is a very slim chance it is, since for all practical purposes it has lost the war." Now it is a question of whether Mengistu can read that far ahead in the script.

—Reported by
J.F.O. McAllister and Jay Peterzell/Washington and
Marguerite Michaels/Addis Ababa



Mengistu: A goner?

C | A | D | I | L | L | A | C |



S | T | Y | L | E

Now you can lease all the substance of Cadillac Style for substantially less.

\$469
a month/36 months
No Down Payment

Act by June 10, 1991, and you can lease a new Cadillac DeVille for as little as \$469 a month with no down payment at your participating Cadillac dealer.*

SUBSTANCE BEHIND THE STYLE

Cadillac-exclusive 4.9 liter V8—highest highway mileage of any V8-powered luxury automobile: EPA estimated 26 MPG highway.

Electronic four-speed automatic transmission—for virtually undetectable shifts.

Anti-lock brakes—maintain steering control during sudden stops and when braking on slippery surfaces.

Driver's-side supplemental inflatable restraint system—gold-tipped air-bag sensors help activate system within 1/20 of a second. Inflation rate of air bag is specially engineered for your protection.

Space-efficient six-passenger design—the largest passenger compartment of any front-drive sedan.

Leather seating areas—terms quoted include available leather.

AM stereo/FM stereo radio with auto-reverse cassette tape player—includes five-band graphic equalizer.

Electronic climate control—automatically adjusts to angle and intensity of sunlight. Additional vent for rear-seat passengers.

Electronic level control—automatically raises car with changing luggage loads (over 18 cubic feet capacity).

Automatic door locks—with central door unlocking feature.

PASS Key® theft-deterrent system—proven so effective it could qualify for insurance discount.

4-year/50,000-mile no-deductible Gold Key Bumper to Bumper Warranty—protects entire automobile.**

24-hour Cadillac Roadside Service—the finest roadside service program of its kind.

THE ONLY WAY TO TRAVEL IS  CADILLAC STYLE[®]

SEDAN DE VILLE



*First month's lease payment of \$469, plus \$500 refundable security deposit for a total of \$969 due at lease signing. Tax, license, title fees and insurance extra. You must take retail delivery out of dealer stock. GMAC must approve lease. Example based on Sedan de Ville: \$32,211 MSRP including destination charge. Monthly payment is based on a capitalized cost of \$27,865. Total of monthly payments is \$16,884. Payments may be slightly higher in Alabama, Arkansas, Oklahoma, Texas, and Virginia. Option to purchase at lease end for \$15,591. Mileage charge of 10 cents per mile over 45,000. Lessee pays for excessive wear and use. See your participating dealer for qualification details. **Except tires, which are covered by their manufacturer's adjustments; normal maintenance items; and battery, which is covered by its own 4-year/50,000-mile prorated warranty. See your dealer for terms of this limited warranty.

Two bottom for buying a

1.

New Prices.

Recently, Compaq significantly reduced prices on its most popular personal computers and PC systems.

This will have a tremendous impact on your bottom line. And not because of cost alone.

Our new prices mean there's nothing now standing between you and the high performance of COMPAQ. You won't have to make do with a compromise instead of the COMPAQ PC you want.

Our new prices also mean you can afford to let all your users work with the PCs that simply work better.

COMPAQ PCs deliver optimal performance, so your users will spend less time waiting. And more time working.

Our PCs endure relentless reliability tests, so downtime is reduced. And as we all know, downtime means money.

COMPAQ PCs also offer the utmost in compatibility. So you can spend your time working on business issues, not computer issues.

-line reasons COMPAQ PC.

Finally, COMPAQ PCs are supported by one of the best-trained dealer networks in the industry. Dealers who are committed to giving you comprehensive computing solutions, not just computers.

From the beginning, COMPAQ PCs have delivered the performance, reliability and compatibility you've asked for. Now, they also deliver it more affordably.

All this makes quite a statement. Especially on your bottom line.

To get the facts, call your Authorized COMPAQ Computer Dealer for pricing and product information. Or call 1-800-231-0900, Operator 161, and we'll mail you our new suggested resale prices and the location of the dealer nearest you. In Canada, just call 1-800-263-5868, Operator 161.

COMPAQ

It simply works better.

2.

▲ DUBLIN ▲ LONDON ▲ PARIS ▲ BERLIN ▲ HAMBURG ▲ FRANKFURT ▲ ST

GUADALAJARA ▲ COPENHAGEN ▲ AMSTERDAM ▲ SHANNON



▲ MEXICO CITY ▲ IXTAPA ▲ ZIHUATANEJO ▲ MAZATLAN ▲ ACAPULCO ▲ P

Your Emerald Isle Seat.

No blarney. You can reserve an isle seat on Delta to Dublin or Shannon any day of the week. To 32 international destinations on three continents, no airline goes farther to make you feel at home.

 **DELTA**
We Love To Fly And It Shows.

STUTTGART ▲ MUNICH ▲ SAN JUAN ▲ BERMUDA ▲ NASSAU ▲ VANCOUVER ▲



CALGARY ▲ MONTREAL ▲ EDMONTON ▲ TORONTO ▲ TAIPEI ▲

PORTO VALLARTA ▲ TOKYO ▲ NAGOYA ▲ HONG KONG ▲ SEOUL ▲ BANGKOK ▲

Your Lucky Charm.

You won't need to carry a four-leaf clover to make your trip
to Ireland a success. Just the American Express® Card. Because wherever
Delta takes you, American Express will take care of you.



Don't Leave Home Without It.®



REDUCE THE FEDERAL DEFICIT OVERNIGHT.

From New York to Europe alone, there are 39 places we ship overnight. And Federal Express takes days.

In fact, we're faster than Federal to 127 countries. And we go to more countries around the world than Federal Express or UPS. Almost 190, at last count.

Seems some deficits are easier to reduce than others. For immediate pickup, dial 1-800-CALL-DHL.

FROM	TO	DHL	FEDERAL
NEW YORK	ROME, ITALY	1	2
CHICAGO	LONDON, ENGLAND	1	2
NEW YORK	GENEVA, SWITZERLAND	1	2
MIAMI	RIO DE JANEIRO, BRAZIL	1	2
NEW YORK	MILAN, ITALY	1	2
NEW YORK	BIRUSSELS, BELGIUM	1	2
LOS ANGELES	TOKYO, JAPAN	1	2
LOS ANGELES	SYDNEY, AUSTRALIA	1	3
MIAMI	SANTIAGO, CHILE	1	2

A partial listing of the 187 countries we serve. Transit times in 24-hour periods. Subject to change without notice.



EASIER TO MORE OF THE WORLD

World Notes

YUGOSLAVIA

Dangerous Muddle

Virtually rudderless after months of ethnic violence and political strife, Yugoslavia was left without a helmsman last week. Croatia's Stipe Mesic, 57, was to assume the rotating leadership of the country's collective federal presidency, made up of representatives from each of the six republics and two provinces. But the routine vote turned into a crisis when Communist-ruled Serbia and three of its allies refused to approve Mesic, fearful that he might promote the country's disintegration. Said Borisav Jovic, the Serbian representative who led the presidency for the past year: "No country can vote for a man as President who aims to destroy the system he heads."



Mesic: blocked ascension

The political vacuum can only deepen Yugoslavia's state of shock. Serbia, the largest republic in the troubled Balkan country of 23 million, is struggling to preserve its power over federal institutions, including the army. But the federation itself has been stumbling toward dissolution since free elections last year installed non-Communist governments in the republics of Croatia, Slovenia, Bosnia and Herzegovina, and Macedonia.

So far this month, at least 20 people have died in the country's bloodiest conflicts between Serbs and Croats since World War II.



A victim of the worst rioting Brussels has witnessed in years

BELGIUM

Making Their Voices Heard

When two Brussels police officers stopped a Moroccan motorcycle rider in an immigrant neighborhood for disturbing the peace last week, their action sparked the worst rioting the quiet capital has witnessed in years. The officers asked the rider to show some identification, and soon local Moroccans, who saw the incident as just the latest in a long campaign of police harassment, were throwing fire bombs and stones. By the next day hundreds of Arabs smashed windows at a nearby police station. Riots raged in immigrant neighborhoods for

the three nights that followed, and though no fatal injuries were reported, the fighting got bloody. By week's end Belgian officials were calling for government programs to aid the foreign community.

The city's immigrants, mainly Moroccans and Turks, make up a quarter of Brussels' 970,000 population. But many are poorly educated, unskilled laborers and quite a few are angry and frustrated teenagers. Vic Anciaux, the Secretary of State for Immigration, recommended that some \$285 million be spent on education and urban development in an effort to improve the immigrants' lot. Nevertheless, it could be months before the money is actually spent.

FRANCE

Mitterrand's Iron Lady

The French have always likened their republic to an imaginary woman, *Marianne*, but have never allowed a real one to govern it. Last week, in a bold attempt to revive France's sluggish economy and give new zest to his flagging Socialist regime, President François Mitterrand named longtime political associate Edith Cresson, 57, an aggressive booster of French industry, as the nation's first woman Prime Minister.

"We are confronted with the necessity of constructing a balanced Europe, where France is as strong as Germa-

ny," she said. Her initial decision: to create an economic superministry patterned after Japan's Ministry of International Trade and Industry to oversee industry, finance, foreign trade and the budget.

"Mitterrand's Iron Lady," as the French press has dubbed her, replaces Michel Rocard, 60, whose three-year-old government was having increasing trouble piecing together parliamentary majorities even as it battled a burgeoning campaign-finance scandal. The

POLAND

An Abortion Bill Aborts

With Pope John Paul II due to visit his native country in June, Poland's Roman Catholic prelates busied themselves preparing a present for their Pontiff: strict antiabortion legislation that would ban the procedure completely, including cases stemming from rape and incest. The antiabortion bill, which the church lobbied for mightily in the Polish Sejm, or lower house of parliament, prescribed jail terms for doctors who performed abortions, even on women whose lives were endangered by pregnancy.

Given the predominance of Catholics in Poland—97% of the country's 38 million people—the church had numbers and influence on its side, and a more moderate version of the bill had already passed the Senate. But when the time came for a vote last week, the Sejm, lobbied by Solidarity veterans and former communists, postponed a decision. Instead, the lower house opted for a nonbinding resolution calling on the government to ban private abortions and decrying the country's high abortion rate. With a vote unlikely till after his visit, John Paul will have to settle for another gift.

unenviable task of damage control now falls on Cresson, leaving Rocard free to pursue his 1995 presidential ambitions.



The old and the new: Rocard and Cresson

Come On Down! Fast!

With the economy moribund, cities and states are in a feverish free-for-all to lure employers their way

By JANICE CASTRO

It's quite a spectacle: eager Governors, U.S. Senators and state economic directors in their best blue suits traipsing out to the headquarters of United Air Lines in Elk Grove Village, Ill. Ever since word got around that United plans to build a new \$1 billion aircraft-maintenance center somewhere in the U.S., some 90 cities, states and other public entities have been strutting their stuff in hopes of winning the facility.

businesses. But now, with most local governments caught in a crunch between rising costs and shrinking federal subsidies, the practice has become a heated struggle.

In Texas, the Greater Houston Partnership, a public-private combine, wields a \$2 million annual budget and a staff of 20 in a downtown high-rise, casting for new industries to balance the state's volatile energy base. "We tell people that humidity is

good for the skin and that you can work on your golf handicap all year round," says Houston development chief John Brock. "It's hardball now. As bad times hit, everyone is discovering the benefits of economic development."

More than 9,000 city, state and regional entities are aggressively seeking new industry, according to Robert Ady, president of PHH Fantus, a corporate relocation firm in Chicago. Armed with generous tax breaks, low-interest loans and job-training subsidies, not to mention four-color brochures boasting cheaper housing, better schools, prettier sunsets and friendlier neighbors, they are pitching their hearts out to major corporations and medium-size manufacturing firms as well. Localities will spend hundreds of millions this year to lure companies away from their established bases, twice as much as they laid out 10 years ago.

The competition for UAL has grown frantic now that the carrier has narrowed its search to nine sites, scattered from Denver to Martinsburg, W. Va. Pitchmen in the farm town of Rantoul, Ill., have put together \$300 million worth of free land and other incentives, hoping to substitute UAL for nearby Chanute Air Force Base, slated to close in 1993. In January a special session of the Oklahoma legislature approved a new 1% sales tax to pay for tax concessions, job-training subsidies and other lures. Boasts Ed Bee, Oklahoma City's economic devel-

opment director: "We have a done deal." Well, not quite. Colorado has assembled a package worth at least \$427 million, including 30 years of tax breaks, in hopes of landing the UAL jewel for the new international airport Denver is building. Governor Roy Romer will call his state legislature into special session next month to approve the goodies. UAL is expected to announce its decision by midsummer.

America's rich industrial states are the best hunting grounds for corporate trophies. Tennessee scored the biggest hit of the past several years in 1985, for example,

Dozens of schoolchildren from Oklahoma City have written to chief executive Stephen Wolf, beseeching him to provide jobs for their parents.

Suitors have sent flowers to UAL executives and bombarded them with commercials on a local Chicago radio station. A huge red-white-and-blue billboard near UAL's offices reads, UNITED, COME FLY THE FRIENDLY SKIES OF OKLAHOMA!

The United deal is only the latest—and most spectacular—to send hearts fluttering in city halls and statehouses across America. From Seattle to Boca Raton, Fla., government officials are gunning for the economic growth that new companies can bring. Local officials have long poached upon sister cities and states, of course, by snatching away their

Oregon now calls itself the Silicon Forest

Texas wooed J.C. Penney with low, low costs





when General Motors decided to build its \$1.9 billion Saturn plant there. Raiders from the Southern, Southwestern and Central states have set up permanent outposts in California, determined to pick off high-tech and manufacturing companies. Even Pueblo, Colo., has an economic development office in Orange County.

ALABAMA IS OPEN FOR BUSINESS, a bright green-and-white billboard crowded recently beside a Los Angeles freeway. Grim commuters stuck in traffic have plenty of time to write down the toll-free number on the bottom. In nearby Laguna Hills, Jay Allbaugh runs a one-man Sooner office whose slogan is THE OKIES ARE RETURNING! Says he: "The smog, traffic and high cost of living all work in our favor. Businesses are telling me their profit margins are getting squeezed so much they must move to stay profitable."

Bank of America announced last month that it will move 600 credit-card-processing workers from San Francisco and Pasadena, Calif., to Phoenix. Zero Corp., which makes equipment cases for musicians, photographers and scientists, is leaving Los Angeles for Salt Lake City. Says CEO Wilford Godbold: "The negative perception of business in the state legislature has made it harder and harder for us to operate here. The environmental regulations were conflicting, confusing and costly." Geoffrey Gordon, chairman of Atlas Pacific Engineering, a small machinery maker, says he misses the Oakland Symphony now that his company has moved to Pueblo. "But we only went twice a year anyway. I'll just go out and buy a CD."

Things are far worse in New York City. It has lost 200,000, or 38%, of its manufacturing jobs and more than 50,000, about 20%, of its financial jobs since the 1987 stock-market crash, and the pace of departures doesn't seem to be slowing. In the past four years, J.C. Penney sold its 45-story office tower and moved to Plano, Texas, for a loss to the city of 3,800 jobs, while Exxon followed with a move to nearby Irving (2,100 jobs). Salomon Brothers is transferring its domestic operations division to Tampa (700 jobs). City officials, who claim they don't keep track of the corporate exodus—which is inexcusable, if true—had no idea that W.R. Grace was thinking of leaving until it announced last January that it would move most of its operations to Boca Raton. Says a dispirited Sally Hernandez-Pinero, New York's deputy mayor for finance and economic development: "It's pretty hard to combat no income taxes and palm trees."

Now stalwarts of the financial industry at the heart of New York's economy are getting restless. Merrill Lynch will send 2,500 operations workers to New Jersey in 1992, while Smith Barney and Morgan Stanley are considering moves to Connecticut. The tempta-

tions are everywhere. Atlanta Mayor Maynard Jackson and Georgia Governor Zell Miller hosted a lavish lunch at Manhattan's "21" Club not long ago for representatives of 200 top New York firms. Said John Gilman, a Georgia development official: "Our highest target is the New York area."

Note the word area. Even the outlying towns and suburbs that had cherry-picked companies from cities like Los Angeles, San Francisco, Detroit and New York during the 1970s are now losing them to less expensive climes. Says Miles Friedman, executive director of the National Association of State Development Agencies: "They'll go out the back door as fast as they came in the front." United Parcel Service, which moved from Manhattan to Greenwich, Conn., in 1975, announced two weeks ago that it will ship its 1,000-worker headquarters to Atlanta. UPS also considered Baltimore, Dallas and Cincinnati, then chose Atlanta, in part on the basis of cheaper housing (\$68,000 for a median-priced single-family home, vs. \$165,000 in southwestern Connecticut).

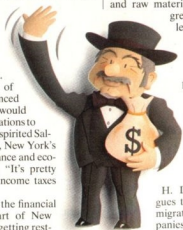
Big companies are often surprised when they look closely at the benefits of rapidly developing regional economies. Airline deregulation, for example, has spawned handy new international hubs in places once better known for their bus terminals. Atlanta has played its airport trump card effectively, one reason Holiday Inn is in the midst of moving there from Memphis. Says Memphis Chamber of Commerce president David Cooley: "We don't have a nonstop to London, and Atlanta does."

Broad changes in the U.S. economy are enlivening this free-for-all. As the U.S. shifts from manufacturing to service industries and the so-called knowledge economy, locations near waterways, railroads and raw materials—traditional spots for

great cities—have become less important. Computers, fax machines and improved telecommunications have enabled large corporations to shift back-office operations out of expensive downtowns and into small towns and suburbs.

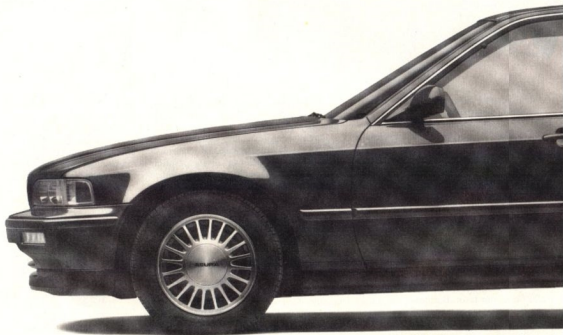
In his forthcoming book, *The New Corporate Frontier*, author David Heenan, chief executive of Hawaii's Theo.

H. Davies conglomerate, argues that a vast new American migration is under way as companies abandon big cities and old-line industrial regions. Says he: "The corporate downsizing of the 1980s proved that you don't need a Pentagon-size bureaucracy to run a business. Downsiz-



Tennessee is becoming the motor capital of the South

TO THE CONVENTION ADDED THIS ATTRAC



While this probably isn't the first lease ad that you've come across this month, it may be the first worth reading. For two very simple reasons: The new Acura Legend Sedan and the new Acura Legend Coupe.

For a limited time, the Legend Lease Program makes both of these cars surprisingly affordable. Whether you choose to lease for two, three, four or five years, you can drive a Legend home

LEGEND LEASE
AGREEMENT

NAL CAR LEASE WE'VE CTIVE NEW FEATURE.



for less than you might think. And, thanks to a flexible financing program provided by American Honda Finance Corporation, we can help keep your monthly payments down to a minimum, too.

Meaning you can stop dreaming about owning a car with a 200-horsepower engine, independent double-wishbone suspension, anti-lock brakes and a driver's side air bag. And start driving one.

See your Acura dealer for more details. For the Acura dealer that's nearest to you, simply call 1-800-TO-ACURA.



ACURA
PRECISION CRAFTED PERFORMANCE

Business

ing led to outsourcing of suppliers, and has now led to a movement to ship out the whole company. After all, with new technologies, you can run even a global business out of a small town." He's right. Just ask IBM (Armonk, N.Y.) or General Electric (Fairfield, Conn.).

Many corporations place an especially high premium on education and skills when they relocate. They're looking for workers who won't require much extra training, on which U.S. companies spend billions each year. Economic development officials from Tennessee, North Carolina and Kentucky have found that big corporate fish rise quickly to the bait of their strong university research assets and skilled workers. "The No. 1 issue is education," explains Ady. "Jobs are changing so fast that companies need completely adaptable, flexible work forces. Ten years

ago, two-thirds of our clients would locate in the lowest-cost town. Now that's rare."

At a time when every place from Dallas to Park City, Utah, is primed to put a salesman on a plane to snag business, many companies try to search quietly for new homes. When Salomon Brothers decided to move its processing division, the firm conducted secret scouting missions in 72 cities before making a peep. Sure enough, when word got out in January that the company had narrowed its choices to Tampa and Columbus, Salomon was besieged with promoters. Tampa offered Super Bowl tickets; Columbus brandished seats for the Final Four. Says Salomon managing director Marc Sternfeld: "I heard from every personality in Florida and Ohio."

Tough competition calls for unfamil-

iar methods. Members of the Greater Cincinnati Chamber of Commerce are not the sort of people who skulk around to clandestine meetings, but the city is hungry for new business, and, by golly, they're willing to do what it takes. When a relocation consultant brought a corporate team to town to see what Greater Cincinnati could offer, the visitors insisted on complete secrecy. No problem! Eight Cincinnati corporate leaders gathered in a small club dining room to sing the praises of their town to "Bill, Bill, Bill and Mike," four strangers identified only as "top level" executives of a "really big company" in another city. The meeting went well. Ten months after Bill, Bill, Bill and Mike took a look around, H.J. Heinz moved its Pet Products subsidiary from Long Beach, Calif., to Cincinnati.

—Reported by Mary Cronin/New York and Richard Woodbury/Houston

The Bruising Battle Abroad

Mitsubishi's Coilplus subsidiary, a manufacturer of precision steel products, didn't just plop down its new \$16 million plant in Will County, Ill., three years ago by chance. The county, 35 miles south of Chicago, prevailed in an intense 15-month bidding contest against 20 other sites in Illinois and neighboring Iowa, Indiana and Wisconsin. Will County won by building a \$300,000 road, finding \$150,000 in state funds for a training program, extending a railroad spur to the plant's back door, negotiating with the owner of the 37-acre site to drop its price, and even renaming its county highway for Coilplus.

Virtually every state is going after a piece of the \$400 billion worth of foreign investment in the U.S., and the fight is getting ugly. Ruth Fitzgerald, Will County's take-no-prisoners development director, has brought 13,000 new jobs into the county (pop. 357,313) since 1985 and has no illusions about the painful struggles involved. "You have county against county, city against city and state against state," she says. "You have to wonder whether pitting states against each other is worth the return in the long term."

The number of state development offices abroad, which function almost like consulates, has doubled in the past five years, to 160. Illinois has more foreign offices than many small nations; it has outposts in Moscow, Shenyang, Brussels, Warsaw, Budapest, Toronto, Mexico City, Hong Kong and Osaka. No fewer than 38 states—plus San Bernardino, Calif., and Houston—maintain offices in Tokyo.

Has the competition grown too intense? It has resulted in incentives, tax concessions and other subsidies that end up costing an average of \$50,000 for every new job created. Even those jobs may be something of an illusion. The eight new Japanese car plants built mainly in the South in the past decade, for example, have resulted in 26,800 new jobs, but 250,000 auto industry assembly-line jobs were lost during the same period. "That is not new investment," points out C.K. Prahalad,

international management professor at the University of Michigan School of Business. "It is substitute investment."

Beyond that, the way many states market their availability raises discomfiting questions. Too often the fat, glossy brochures of Kentucky pastures, Minnesota lakes, South Dakota prairies, Houston skylines and Indiana sunsets convey not who Americans are but what foreign investors want to see—mainly people who are white, rural, nonunion, eager to work

hard and unlikely ever to make any trouble. Sometimes the pitch seems meek and submissive. Listen, for example, to Mike Doyle, international development director of the State of Iowa: "Iowa has a lot in common with Japan. We like to promote the homogeneous relationships within Iowa. We are a morally conservative state that appeals well to Asiatic society. Iowans also revere their elders and share the values of extended family life."

Proponents of states battling one another before the rest of the world say the competition not only builds business but also leads to better educational systems, infrastructures and governments. They are probably right. Further, even substitute investment like those Japanese car plants can be good for the economy. Because American resources are now used more efficiently in making cars, Americans in general are better off.

But warring states pose a problem that warring companies do not. The battle's enthusiasts could do worse than reread the discourse of Alexander Hamilton, James Madison and John Jay in *The Federalist Papers* on the core principles of the nation's founding two centuries ago. One of a central government's most constructive tasks, Hamilton argued, was to extinguish "that secret jealousy which disposes all states to aggrandize themselves at the expense of their neighbors." The danger is that in fighting for advantage, individual states may harm the U.S. as a whole.

—By William McWhirter/Detroit. With reporting by Barry Hillenbrand/Tokyo



The fight for foreign investment is getting ugly

What beer drinkers drink when they're not drinking beer.

Beer drinkers think it's a smart idea to drink O'Doul's brew when they're watching the big game.



Beer drinkers enjoy sailing through the day with plenty of O'Doul's.



Beer drinkers like to have a few O'Doul's brews before a long drive.



Lunch is a great time for a beer drinker to have an O'Doul's. Or a bunch if they have the time.



Beer drinkers won't stand still for the taste of just any non-alcohol brew. That's why they drink O'Doul's brew.



Whether beer drinkers are working out or out working, they enjoy having a few O'Doul's.

ONLY
70 CALORIES



When you're thirsting for the taste of beer but not the alcohol, try O'Doul's brew from Anheuser-Busch. Carefully brewed as a premium beer. Using imported hops. Fully fermented and cold aged. Then the alcohol is naturally removed. Leaving the real beer taste. It's perfect for those times when, for one reason or another, you're not drinking beer.



Anheuser-Busch, Inc.

The Banks Are in Hotel Hell

The next hospitality you stay at could be run by a lender that never really wanted to own one but can't find a way to dump it

By **BERNARD BAUMOH**

Time was when the hotel industry mixed glamour and high finance in an intoxicating cocktail that attracted the most flamboyant entrepreneurs of the past century—Conrad Hilton, Richard D'Oyly Carte, César Ritz. But check in today at thousands of U.S. hostellers, including Hiltons, Sheratons and Marriotts, and your innkeeper will belong to a far more somber group: Citicorp, Wells Fargo Bank, Travelers insurance and others.

closed hotel? With luck he sells it fast and gets his money back; banks and S&Ls have no desire to run these properties. But buyers are hard to find nowadays. "The market to purchase hotels is dead," says Morris Lasky, chief executive of Lodging Unlimited, a firm based in West Chester, Pa., that specializes in turning around problem hotels. "Banks are not going to lend to new buyers, and there isn't anybody with cash to buy these things." Among the many anxious sellers is the government's Resolution Trust Corporation, which has

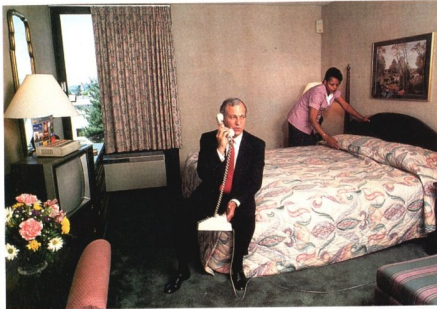
who has resuscitated 200 hotels during his 35-year career: "Three years ago, we were getting four or five calls a month from lenders of problem hotels. We're now averaging that many a day." While professional managers can keep operations on track, every hotel faces decisions that only the owner can make. Does a small roadside hotel really need a Nautilus room? Is it practical to have nightly bed turn-downs or a 24-hour doorman?

Bankers aren't equipped to decide, and many are tormented over what to do next. Some refuse to throw more money into a losing business, but experts warn that such a policy can cost more than it saves. "A hotel operation can go quickly into a graveyard spiral if some action isn't taken," says Laurence Geller, who runs a hotel advisory firm in Chicago.

The lenders don't feel any better knowing they have mainly themselves to blame for this fix. Through much of the '80s they were tripping over one another to offer generous terms for even the unlikeliest projects. "In the madness of that decade, many hotels were overfinanced and overleveraged," says Bruce Batlin, a partner with the consulting firm Pannell Kerr Forster. "A lot of hotels are in trouble because of that."

By the time many of the properties were built, corporations were cutting back on business trips to protect profits. The current recession has made things worse. Of the 3.1 million rooms available in the U.S., almost half are vacant every night. Since an average hotel needs 65% occupancy to break even, that translates into an estimated industry loss of \$1.7 billion last year, a record, and this year looks worse. Says Randy Smith, who publishes the authoritative newsletter *Lodging Outlook*: "I've been doing research on the hotel industry for 20 years, and this first quarter beats anything I have ever seen."

Most lenders are resigned to holding their hotel properties until the market improves, but they'd better be patient. "It is going to be anywhere from five to seven years before the hotel industry gets back to reality," says Lasky. Between now and then demand will increase, but probably not nearly enough to catch up with the huge oversupply of rooms. That means the number of rooms will have to come down. Some hotels will simply be demolished. Others may be converted into condominiums, although there's hardly a shortage of those. Some, depending on design and location, could even be converted into prisons. Don't laugh. At least it's a growth industry. —Reported by Dan Cray/Chicago and William McWhirter/Chicago



Consultant Lasky's task: revive this money-losing Holiday Inn owned by First National Bank of Maryland

Lenders are getting stuck with the vast surplus of rooms they helped finance in the '80s.

The jokes are inevitable—it takes a month to get your reservation approved; no room service after 3 p.m.—but the banks and insurance companies aren't amused. They are in the hotel business because in the past decade they helped finance a building frenzy that dumped thousands of new rooms on an already glutted market, with disastrous results. Six of every ten hotels in the U.S. aren't able to make a penny in profit, says Bjorn Hanson, an industry expert with the Coopers & Lybrand accounting firm. As losses mount, so do loan defaults, which have forced lenders to foreclose on a record number of ailing properties. More than 3,000 have reverted to lenders in the past three years, and experts expect an additional 7,000 to be repossessed in the next 24 months.

What does a lender do with a fore-

closed hotel? With luck he sells it fast

Some of the repossessed properties are landmarks. Bally has effectively agreed to hand over the keys to its Las Vegas and Reno resorts to a group of creditors. The Westin Canal Place in New Orleans was repossessed by Travelers. The Four Seasons hotel in Austin has been foreclosed by Manufacturers Hanover. The Los Angeles Airport Hilton is in the hands of Security Pacific National Bank. "It is unprecedented what has been going on with hotel foreclosures," says David Renton, who heads a hotel investment firm in Stamford, Conn. "This is the worst crisis for the industry since the Great Depression."

Most bank executives realize that hotel management is a job for a professional, and they usually hire new managers to try to revive an ailing property. Says Lasky,

TANDY CORPORATION

CONSUMER ELECTRONICS
RADIO SHACK • O'SULLIVAN • MEMTEK • VIDEOCONCEPTS • McDUFF

PERSONAL COMPUTERS
RADIO SHACK • GRID SYSTEMS • VICTOR TECHNOLOGIES



INTERNATIONAL SOURCING • RESEARCH AND DEVELOPMENT
MANUFACTURING

- ★ America's Largest Consumer Electronics Manufacturer
- ★ America's Premier Distribution System for Products of Technology
- ★ Protecting Our Future Through the Tandy Technology Scholars Program
- ★ Creating New Standards of Excellence That Americans Can Be Proud Of

AMERICA'S TECHNOLOGY ANSWER

Tandy Corporation • 1800 One Tandy Center • Fort Worth, TX 76102 • (817) 390-3700



Stephen Sondheim. Cardmember since 1959.

*Membership
Has Its Privileges.**



Don't leave home without it.*

Call 1-800-THE CARD to apply.

RESERVED
CEO

RESERVED What a parking spot should be.

LINCOLN What a luxury car should be.



LINCOLN TOWN CAR. NOW, THE ROOMIEST CAR IN THE WORLD HOLDS A NEW V8 ENGINE FOR MORE POWER AND AN EVEN QUIETER RIDE. 1 800 446-8888

LINCOLN-MERCURY DIVISION 25th Buckle Up Together We Can Save Lives.

Business Notes

ELECTRONICS

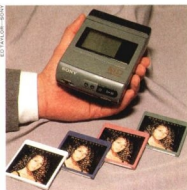
Stop Us Before We Buy Again!

Oh no—not another piece of stereo equipment. We've been LPed, 8-tracked, cassetted, CDed, and DATED, and now comes the Mini Disc, or MD, unveiled last week by Sony, which expects it to surface in stores by late 1992.

Looking like a compact disc after a month on Slim-fast, the 2½-in. MD is small enough to be played on a machine the size

of a cigarette pack. But it holds as much music as its full-size cousin, and unlike the traditional CD (if something a decade old can be called traditional), the MD records as well as plays back. True, it does not offer the compact disc's perfection of fidelity, but the digital MD easily outperforms analog tape cassettes. And unlike portable CD units, the MD player doesn't skip when jolted.

All of which begs the question: Who needs it? "We'd like to introduce the MD to the industry as a successor to cassettes," says Sony president Norio Ohga. That sounds a lot like what the company said only last fall as it introduced the digital audio-tape Walkman. But now Sony argues that there is room for both DAT, aimed at hi-fi fetishists, and MD, whose lower price, smaller size and ease of use should appeal to the masses. Provided, of course, the masses will pop for yet another audio device. ■



Here we go again: Sony's new MD format

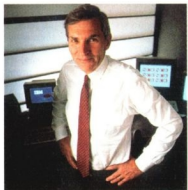
COMPUTERS

The Numbers Didn't Add Up

Tough times in the computer industry mean misery for computer retailers. Just ask Businessland: last week the San Jose hardware dealer announced a third-quarter loss so drastic—\$43 million—it may file for bankruptcy.

Founded in 1982, Businessland became corporate America's one-stop shop for personal computer systems, mainly from blue-chip makers like IBM and Apple. But as Businessland's fortunes rose, so did those of mail-order boutiques and aggressive superstores offering deep discounts. Meanwhile, Businessland stumbled by launching price wars

while ignoring rising inventory and changes in customer needs. The company's key lender, ITT Commercial Credit, has announced that it will jump ship by the end of June. Now Businessland must persuade remaining lenders to extend its loan payments. Observes computer industry analyst Douglas Kass: "The coffin is lying out there waiting for the last nail." ■



Businessland CEO David Norman



U.S. unions fear Mexican workers will steal their jobs

TRADE

Bridging the Rio Grande

One of the prickliest issues in Congress lately has been the prospective free-trade agreement with Mexico. While economists are virtually unanimous that free trade benefits both trading nations, labor unions fear they'll lose jobs to Mexicans who work for lower wages, and have opposed the pact. So have environmentalists, who fear that industry will boom south of the border, where antipollution laws are less strictly enforced.

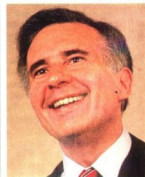
When President Bush promised to seek better cooperation

from Mexico on the environment and to help supplanted workers, chances for an agreement took a giant step forward. Last week congressional committees endorsed Bush's authority to negotiate a deal that Congress must vote up or down but may not amend. This so-called fast-track authority is crucial, because no country wants to bother hammering out a pact that Congress can then turn inside out. Presuming Bush's negotiators clinch a deal like the recent one with Canada—and Congress approves it—North America could achieve a truly open common market about the same time Europe does next year. ■

FINANCE

Icahn Empties A Piggy Bank

Is the 1980s corporate raider going the way of the 1890s robber baron? Exhibit A: last week Carl Icahn, TWA chairman and high-stakes player during the Decade of the Deal, sold his 13.3% interest in Pittsburgh-based USX. Icahn became a force in the company in 1986, when takeover fever was at its height. He waged an unsuccessful 1990 proxy war to force the firm out of the steel business, but seemed to achieve partial victory in January when the company agreed to split its common stock into separate steel and energy issues—an agreement that went into effect barely a week before Icahn's abrupt withdrawal from USX.



Icahn: farewell to five feisty years

The take from Icahn's sale was more than \$1 billion—impressive on paper, yet a measly 25% return on his investment over five years. Icahn's continuing problems at TWA apparently cry out for a compress of cold cash from his deep—yet clearly not bottomless—pockets. ■

Toughie, Smoothy, Striver, Spy

Bland-looking and hard-hitting, **BOB GATES** is the President's pick to lead the CIA beyond its cold-war roots into an uncertain future

By **DAN GOODGAME** WASHINGTON

Robert Gates was an eagle scout and an A- student, a wholesome Kansas kid who met his wife-to-be on a hayride. He yearned to become a doctor or a teacher, and volunteered to tutor needy students. His college honored him as the graduate "who has made the greatest contribution to his fellow man." So how did a nice guy like Gates get into the spy business? And why do some Democrats in the Senate say such nasty things about him?

Nominated last week by President Bush to serve as director of Central Intelligence, Gates began his CIA career "on a lark" in 1965. He accepted a recruiter's invitation to an interview just for "a free trip to Washington." Once he got there, however, things got serious. The agency asked Gates to join, not as a "spy" but as a desk-bound analyst, and he accepted. Yet when the agency offered to finance his part-time doctoral studies, Gates declined. He "didn't want to feel obligated to stay" if a good teaching job suddenly became open.

Fast-forward a quarter-century and Gates, now 47, is poised to become the youngest—and yet the most experienced—CIA director since the agency was founded in 1947. But first Gates must win the Senate confirmation that eluded him on his last go-round, in 1987. Then the agency's deputy director, he was criticized for not acting on indications that the Iran-*contra* scandal was afoot. No wrongdoing by Gates was proved, but he withdrew his name from nomination to spare President Reagan further embarrassment.

Since then, passions have cooled and the public has grown weary of the Iran-*contra* investigation. The boyish-looking, soft-spoken Gates, during two years as first lieutenant to retiring CIA Director William Webster and two more as Deputy National Security Adviser to Bush, has assiduously cultivated key Senators. Though some Democrats vow to re-examine Gates' Iran-*contra* role, most Senators predict that he will be confirmed this time, barring some unexpected new evidence of wrongdoing. "Bob Gates was an exceptional deputy to Webster, an honest liaison to the congressional committees and an invaluable aide to the President in the White House," says Senator David Boren, the Oklahoma

Democrat who chairs the intelligence committee. "I think he could be an outstanding CIA director."

The agency can afford nothing less if it is to outgrow its cold war roots. Policymakers lament the CIA's failure to warn earlier of Iraq's intention to invade Kuwait, and they demand intelligence on new topics, from industrial counterespionage to the AIDS epidemic's devastation of the political and managerial élites in several African countries. Budget cutters hungrily eye the estimated \$30 billion in often redundant spending by the CIA and other elements of the intelligence community. To address these challenges, Bob Gates offers close ties with the White House and Pentagon, broad CIA experience and a black belt in bureaucratic politics.

Friends remember him as a child who demonstrated a need and a knack for pleasing his elders back in Wichita, where his father sold wholesale auto parts. Young Bob was bright, well-organized and punctual. He read voraciously and loved to run and hike. When he went off to the College of William and Mary in Virginia, he first enrolled in pre-medicine, then gravitated toward history. "I started with American history," Gates says, "and moved east." He studied Western Europe as an undergrad, Eastern Europe for his master's degree and Russian history and language for his doctorate. Gates worked part time in Williamsburg as a school-bus driver with the eccentric habit of teaching his riders words and phrases in German and Russian. At Indiana University, he worked as a dorm counselor, as did his wife-to-be Becky, whom he met when they chaperoned a hayride.

At the CIA, Gates scrambled rapidly up the career ladder, starting as a junior analyst who struggled to write coherent reports after poring over mountains of information from a wide range of secret and public sources. He quickly drew praise for cogent analysis and crisp writing—traits still evident in his scholarly articles and speeches.

A big break for Gates came in 1974, when he was assigned to work at the White House on the National Security Council. His boss, then as now, was an Air Force general named Brent Scowcroft. Over the next 17 years, Gates deftly hoppedscotch back and forth from the White House to CIA, winning kudos from Democrats and Republicans alike.

Some detractors describe Gates as a "chameleon" who, like Magnus Pym, the sociopathic protagonist of John Le Carré's *The Perfect Spy*, finds it easy to match his coloration to whomever he needs to please. And while his friends disagree, they add wryly that it's better to have Gates as an employee than as a boss.

He strives to deliver what his superiors want, and rides his subordinates until he gets it. He first made his name as head of the CIA's analysts, insisting that reports be made less cautiously academic and more relevant to policymakers, addressing their concerns bluntly, concisely and accurately. He demanded each analyst's "best estimate" on difficult questions, and tracked such judgments on scorecards that influenced promotions. Some analysts considered Gates a little Napoleon. But Congressman Dave McCurdy, chairman of the House Intelligence Committee, says he witnessed a "remarkable" improvement in the quality of CIA reports prepared under Gates.

Gates also takes pride in having helped to establish a day-care center for employees' children, complete with jungle gyms and little CIA T shirts. He delighted in imagining what KGB analysts would conclude from their satellite pho-



Gorbachev bluntly expressed the hope that Moscow-Washington détente would "put Mr. Gates out of a job"

Baker in 1989, Gorbachev bluntly expressed the hope that Moscow-Washington détente would "put Mr. Gates out of a job."

Sometimes Gates seems pleasantly bumfuzzed by recent turns in the relationship between the superpowers. Last August, for example, his son Brad, then 10, was struggling to comprehend what he was hearing from his cold-warrior father. "Let me get this straight, Dad," Brad said. "The Russians are on *our* side in this one?" Gates smiled and nodded. Brad replied simply, "Wow!"

Like Bush, Gates rises early: about 5 a.m. He runs three miles, showers, shellacs his white-gray hair and hops into the back of a black government sedan that waits outside his home in suburban Virginia. The driver hands over a packet of intelligence reports and diplomatic cables that moved overnight, and Gates scans these and the newspapers on his way to the White House. He usually eats lunch at his desk. He seldom gets home before 9 p.m.

He takes son Brad and teenage daughter Eleanor to Orioles baseball games, and they indulge his attraction to carnival rides. During a trip to Germany when he was deputy CIA director, Gates detoured to a local fairground, security detail in tow, and rode a roller coaster called the Triple Loop. A man of plain tastes and middle-brow origins, Gates likes to torment elitists at the CIA and the State Department, whom he derides as "guys with last names for first names." He tells corny jokes and Russian jokes. And he is relentlessly practical in a way that sometimes amuses

his friends. While driving down Constitution Avenue in a convertible, for example, Gates was caught in a rainstorm but couldn't get the top up. Unfazed, he unfurled his umbrella and kept driving.

His White House office, like Gates, is compact and strategically located. Little larger than a broom closet, it flanks the West Wing entrance just across the lobby from the Oval Office. It is stuffed with color-coded folders marked SECRET, photos of Gates' family on backpacking trips, a Dictaphone, a big secure telephone and a regular White House phone console that often erupts with a steady, insistent ring. "Yes, sir," Gates answers. "Yes, Mr. President . . . I'll get right on it, sir."

On the wall only a few feet in front of his desk is an aphorism, the source of which Gates has forgotten. "The easiest way to achieve complete strategic surprise," it reads, "is to commit an act that makes no sense or is even self-destructive." Gates says he finds this a useful admonition when trying to understand the Saddam Hussein of the world. He hopes to take it with him when he returns to the CIA.

—Reported by Bruce van Voorst/Washington

Education

We set the pace for education excellence.



Nationwide, the church's 7,291 elementary schools and 1,296 high schools are being asked to buy press kits that include these posters, a handbook and other promotional materials to hype their recruiting drive

Can Catholic Schools Do It Better?

Yes, with less money, more selectiveness and rigor, they produce better students—and now want to sell that fact

By SAMALLIS BOSTON

America's parochial schools have often served as a reproach to the troubled public ones in their communities. Unburdened by the bureaucracy and lethargy that bedevil most big-city school systems, and with a tradition of emphasizing discipline and academic rigor, they have generally been able to turn out better graduates—while often spending less than half the money per pupil. Now the Roman Catholic Church, worried about declining enrollments and hopeful about the emerging political sentiment to allow public school parents greater choice in where they send their kids, has launched the most extensive marketing campaign ever for its brand of education. Billboards, banners and posters will be blanketing the nation with the message: **DISCOVER CATHOLIC SCHOOLS 1992.**

The Archdiocese of Chicago alone plans to lease 50 billboards as part of the mammoth promotion. Nationwide, each of the church's 7,291 elementary schools and 1,296 high schools will be asked to market an array of buttons, T shirts, pins, decals,

posters, videos and banners that bear the logo of a proud galleon slicing through the waves, its sail emblazoned with a giant cross. Kits will be sold that instruct local administrators on how to place ads, write press releases and choreograph a month-by-month promotional campaign. Says Sister Ann Dominic Roach, superintendent of schools for the Archdiocese of Boston: "This is not business as usual."

The campaign, which is designed to ignite the faithful as well as sell non-Catholics and political leaders on the excellence of parochial schools, promotes them as "the best-kept secret in the U.S." This they are not—parochial schools have been part of U.S. education since the mid-19th century, and currently serve 2.5 million children. The real secret is how these schools have been able to do more for less. In the austere '90s, their cost-controlled quality and focus on fundamentals could serve as a model for public school systems seeking to conquer the problems of drugs, violence, lax standards and low morale.

Statistical evidence of the parochial system's success is striking. James Cole-

man, a University of Chicago sociologist, has found that Catholic high school students outperform their public school counterparts in reading, vocabulary, mathematics and writing. The dropout rate in Catholic high schools was less than 4%, he discovered, compared with more than 14% in public schools. Black or Hispanic students are three times as likely to graduate in four years as their public school counterparts. Some 83% of the graduates go to college, in contrast to 52% of those from public school.

To some extent such comparisons are unfair. The public systems are required to service, at tremendous cost, students with severe learning disabilities, physical handicaps and discipline problems. In addition, public schools must take everyone, whereas the children in Catholic schools tend to be from families motivated to find them a good education.

Even in the inner cities, Catholic schools have been successful in attracting—and educating—children from poor and minority families willing to bear the cost. The sacrifice is often heavy: high school tuitions can approach \$4,000. Nevertheless, minority enrollment in the Catholic system is now 23% of the total, double what it was 20 years ago. "When my son would come home from public school, all he could talk about was who was fighting whom," recalls Laura Williams, a black Baptist whose three children have attended the Academy of St. Benedict the African on Chicago's South Side.

How do the Catholic schools do it? Mostly by practicing and preaching old-fashioned stuff: values, discipline, educational rigor and parental accountability, coupled with minimal bureaucracy. "Catholic schools have had to make a virtue out of necessity," explains Archbishop Francis Schulte of New Orleans. "These institutions have had to think and act creatively for decades to stretch small budgets."

It adds up to what Coleman calls "social capital," a combination of qualities that public schools simply can't match. At a time when families and neighborhoods are being ripped apart, the Catholic Church often anchors an institutional network on which parents, teachers and children can depend. The schools provide more personal attention to students—and to parents. Single-parent families in particular gain from the parochial approach. Children from such homes are twice as likely to drop out of public schools as those from two-parent families; in Catholic schools the rate for children from both types of families is about the same.

Catholic educators are proud that their institutions eschew the shopping-mall approach they see in public high schools, where students shop around for courses among endless electives. Their high

Just checking.




At Lufthansa, there's something special about the way we check our planes. During production at Boeing, our engineers conduct hundreds of checks on our new Boeing 747s. Then at our home base, engineers inspect every inch of the aircraft. And right before every takeoff, we again check the plane from top to bottom. It's our drive to have your flight be the best it can be. We like to think of it as a passion. One which has led more than 150 airlines to have their planes checked by us. It's a passion you feel in everyone who works at Lufthansa. A passion for perfectionSM that ensures you the best flying experience possible.

A passion for perfection.SM



Lufthansa

Lufthansa is a participant in the mileage programs of United, Delta, USAir and Continental. See your Travel Agent for details.



It now speaks over 140 languages fluently.

These days you could find yourself conducting business in all sorts of languages. So to help you communicate with virtually anyone anywhere, anytime, we put all the language skills you'll ever need in one easy-to-find place.

It's called the *AT&T Language Line® Service*. And with an AT&T Card, you can access it from almost any phone, even a public phone. You'll get one of our on-line, 24-hour interpreters to assist you. So without ever having to take a language lesson, you'll be able to have a meaningful conversation with

It's all in the cards.



someone in Spanish or Russian (or just about any other language, for that matter). It's just another one of the innovative services available to those who carry the *AT&T Calling Card*, the *AT&T Corporate Calling Card*, or the *AT&T Universal Card*. For more on all the things our cards can do, call **1 800 222-0300, Ext. 289**.

From on-line language interpretation to conference calling, no one has more ways to help you on the road than AT&T.



AT&T

Questions to ask yourself about business insurance:

"How could your insurance company not have the money to pay claims?"

You'd be surprised.

Business insurance is only as good as the financial strength behind it. The best indication of an insurance company's ability to pay claims is its financial rating. The higher the rating, the stronger the company.

That's why so many independent agents recommend the CNA Insurance Companies. CNA is one of the *few* major property/casualty groups to earn the highest ratings from all four top financial rating services.*

High ratings mean that CNA has the financial strength to pay claims today and to protect your business over the long term. Which is very important, because an incident occurring today may not result in a claim for years to come.

So, if you want protection and peace of mind from your business insurance, put the financial strength of CNA behind you.

Ask your independent agent about CNA.

CNA provides property/casualty, life/health and employee benefits insurance. Independent agents who represent CNA are listed in the Yellow Pages.

INSURANCE FROM

CNA

For All the Commitments You Make®
CNA Insurance Companies/CNA Plaza/Chicago, IL 60685

*A.M. Best, Standard & Poor's, Moody's, Duff & Phelps

schools routinely offer fewer electives and require a heavier load of basics than do inner-city public schools: four years of English; three years of science, foreign language and social science; and at least one year of computer science. Students must show proficiency in a course before they can move up a grade. Period.

The parents of non-Catholic students, who account for about 12% of enrollment, seem less worried about the religious instruction their children may absorb than about the absence of values in the public system. This parental acceptance is largely the result of the self-selecting nature of parochial schools. Catholic administrators make it clear in advance that their institutions teach the tenets of the church. Parents comfortable with that arrangement are

free to apply. "I'm not Catholic, but we're all serving the same God," says Betty Pitts, a black parent of two children in Our Lady of Lourdes elementary school in Boston's Jamaica Plain section. "When the children are grown, they'll make up their own minds."

Then why the marketing push now?

COMPARATIVE REPORT CARD

NEW YORK CITY	PUBLIC SCHOOLS	CATHOLIC SCHOOLS
Students	956,616	110,000
Student-to-teacher ratio	Elementary and middle 28:1 High school 30:1	24:1 18:1
Percentage of students who graduated on time	38%	99%
Students in special-education classes	119,858	100
Spending per student	\$7,107	\$1,735
Average teacher salary	\$39,136	\$22,550
Administrators at headquarters	3,930	33

1988 Chart by Joe Lertze

For all their advantages, parochial schools badly need funds. They have lost half their students and 2,500 of their schools during the past 25 years as part of the general movement to suburbia. Inner-city schools are still vulnerable as working-class Catholics continue to migrate to the suburbs. Moreover, the cadre of women in religious orders who traditionally taught in Catholic schools continues to decline, and lay teachers, often with families, demand higher salaries.

By publicizing the advantages that parochial schools can offer, the church hopes to help a good system thrive once again. In the process, by increasing a sense of competition for students and an awareness of the value of a rigorous education, the campaign could even serve to spur the nation's public schools.

Press

CNN in the Neighborhood

Filling a niche in metropolitan markets, local 24-hour news channels are sprouting across the country on cable

The January 1990 crash of an Avianca jet near Kennedy Airport was the first of local disaster that gets TV news departments pumped up—and often brings in Emmys. But the first station to arrive at the crash site in Cove Neck, L.I., was not one of the big boys from New York City. It was a crew from News 12, a 24-hour cable channel seen only on suburban Long Island. One of the channel's satellite trucks happened to be half a mile away when word of the crash came over the police scanner. The crew raced to the scene and provided dramatic footage that was picked up by all three networks. The coverage even, yes, won an Emmy.

News 12, launched in 1986 by Cablevision, is the vanguard of a growing array of efforts to provide local news—and lots of it—on the same basis as CNN. In Orange County, near Los Angeles, an all-news channel was started last September by the Freedom newspaper chain, owner of the Orange County Register. TCI Cable and the local Fox station are teaming up to create a 24-hour news channel for Chicago, set to debut this summer. A similar operation for the Washington area will be launched in September by Albritton Commu-

nications, and Time Warner has announced plans to start a 24-hour news channel for New York City in early 1992.

The new entries are striving to fill what many see as a substantial gap in local TV news. In large metropolitan areas, stations cannot come close to covering the welter of communities that make up their region—especially with more and more air time being devoted to sensational crimes, celebrity fluff and network promotions ("The real story behind *Switched at Birth*—at 11"). Cable systems, which serve more circumscribed areas, have jumped in with a fresh twist: the news they provide is hyperlocal.

Long Island's News 12, for example, starts each morning with a news radio-style mix of news, weather and the inevitable traffic reports, live from key points on the Long Island Expressway. The channel has extensively covered everything from unsolved cop killings to controversial local issues like garbage dumping. Boasts executive producer Drew Phillips: "Nobody can make a move without us knowing about it."

Orange County NewsChannel, seen in 350,000 cable homes, has a similar news-radio approach—its traffic reporter goes by the moniker Dr. Drive—but offers broader horizons. During the Gulf war, an ocn crew traveled to Saudi Arabia and Israel to interview Orange County natives there. The station's success is being monitored by other urban newspapers, which are considering all-news cable stations as a way to expand their franchises in a sluggish market for print media.

With enormous amounts of air time to fill, these all-news channels can be dull and repetitive. Their audiences, moreover, are still small; neither of the local news channels now in operation is turning a profit. But industry observers contend that these channels fill a need, and will eventually attract plenty of viewers and provide a lucrative advertising niche. "News is the most expensive programming," says media analyst Paul Kagan. "But for a cable system, it is a big traffic builder." So those traffic reports will come in handy.

—By Richard Zoglin.
Reported by Patrick E. Cole/Los Angeles and Leslie Whitaker/New York



Going hyperlocal: on the set of the Orange County NewsChannel

Environment

Getting Blacker Every Day

The Kuwaiti oil-fire fallout could be worse than expected: it may affect hundreds of millions of people from Africa to the Indian subcontinent

By EUGENE LINDEN

The dead are buried. The wounded have been treated. But the devastation wrought by Saddam Hussein's demented destruction of Kuwait's oil wells has only just begun. Three months after Iraqi troops began blowing up 600 wells in Kuwait, an estimated 500 fires are still burning, perpetuating the most hellish man-made inferno the earth has ever seen. As fire fighters struggle to quench the flames, a job that may take two years, the toll on the region's environment and the health of its people will continue to rise.

While initial fears that the fires might disrupt the global climate by causing a "nuclear winter" have vanished, some scientists are making new predictions that catastrophic effects could be felt hundreds, perhaps thousands, of miles beyond Kuwait's borders. Researchers still have little information about the size of the giant black cloud of oil, gases, soot and smoke being pumped into the atmosphere hour after hour, day after day. But they now fear that what happens to this noxious mass during the next few weeks may affect the lives of hundreds of millions of people.

The gulf region is about to enter a particularly delicate period, when the shamal winds in Iran, Iraq and the Arabian Peninsula create huge sandstorms that blow southward. This year's storms could suck up soot from the oil fires and unusually large amounts of dirt loosened by explosions and the movement of armies during the war. Intensified by heat from the fires, the storms could spread a mist of soot and oil across a belt of countries, ranging from Saudi Arabia to India. Apart from posing a health threat to the people closest to ground zero, the pollution is likely to harm wildlife, agriculture and fisheries. At worst, fallout from the oil fires may disrupt the region's annual monsoon rains.

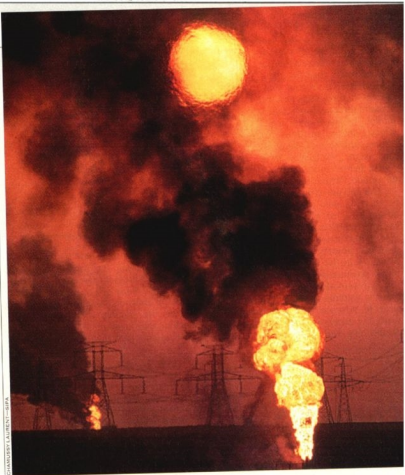
No matter what happens, Saddam Hussein has already become the most significant player on the world environmental scene in 1991. At a time when nations are trying to muster the will to control greenhouse gases and thus reduce the threat of global climate change, Saddam's eco-terrorism raised the amount of carbon dioxide that humans are pumping into the atmosphere by up to 2%. Kuwait's fires are putting out as much CO₂ as all the cars, homes and industries of France. While these emissions will stop when the fires are put out, the gas will remain aloft for 100 years. Trying to reduce CO₂ output by an equivalent amount will be difficult, even for the world's largest economies, says Rafe Pomerance, a senior associate at Washington's World Resources Institute.

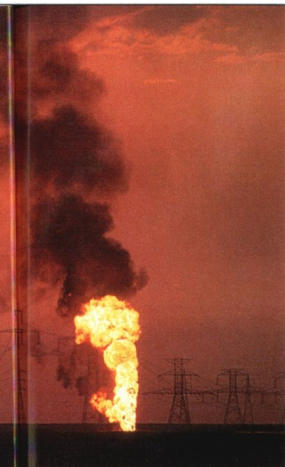
A more pressing worry for the people of the gulf region is the unknown health effects of the pall of pollution. Not only have black smoke and ash darkened Kuwait's midday skies, but unburned and partially burned oil is also spewing from the wellheads. Someone standing near the al-Ahmadi oil field will find his shirt quickly covered with malignant black droplets that fall like an epoxy rain. The heat of the fires pushes much of the unburned oil high into the sky; it has rained down as far away as Qatar, 645 km (400 miles) to the south, and appeared as black snow in the Indian state of Kashmir, 2,600 km (1,600 miles) to the east.

The oil mist can be as deadly as it is ugly. It coats the leaves of palm trees, starving them for sunlight, and so they shrivel. I fall on the surface of the Persian Gulf, already assaulted by oil spills and acid rain posing a further threat to the phytoplankton that is the base food supply for the region's abundant fisheries. And it enters the air passages and lungs of all breathing creatures. Kuwaitis who have seen the blackened lungs of slaughtered animals and watched livestock and wildlife sicken and die can only wonder what effect the ubiquitous mist is having on humans.

Some hospitals have reported a dramatic increase in respiratory cases. Doctors in al-Ahmadi are seeing a rise in bronchitis and three times the usual number of asthma victims. Dr. Edward Beattie, a lung specialist at New York City's Beth Israel Medical Center, says there may also be cases of oil pneumonia, a potentially fatal ailment in which oil smothers the tiny sacs in the lungs.

Kuwaitis are aware of the danger. An pollution masks are selling for \$30 in supermarkets, and guards at checkpoints keep their scarves wrapped permanently around their mouths and noses. The most hazardous mist, however, is almost invisible, which means that children and the infirm might unwisely drop their uncomfortable protective measures under the false assumption that the air is safe.





The effect of the pollution on weather patterns could be even more calamitous. Last week Farouk El-Baz, director of Boston University's Center for Remote Sensing, proposed a new theory of how the oil fires could hurt millions of people by affecting life-giving monsoons in July and August. El-Baz, who just completed a research trip to the gulf region, derives his ideas in part from an earlier analysis he did of the impact of the Iran-Iraq war in the 1980s. Soil stirred up by that conflict doubled the intensity and frequency of the shamal sandstorms. El-Baz believes that the much heavier bombing and widespread trench digging in the latest war produced the material for even more intense sandstorms, which will combine with oil mist and soot from the fires. He argues that the heat from



This Kuwaiti is one of many new respiratory patients

the inferno has created a new high-pressure system, which might push the monsoon line farther south than its normal seasonal position. Furthermore, El-Baz fears that particles in the air might seed the clouds so that rain falls over the Indian Ocean rather than the adjacent land.

Such a disturbance of the monsoon would cause a major disaster. For instance, rains over the Ethiopian highlands supply

80% of the water that feeds the Nile. If those rains fell offshore, the tens of millions of people in that already drought-stricken region would suffer even more grievously. Parts of Yemen, Oman, Saudi Arabia, Pakistan and India could be similarly affected. The dynamics of the monsoon are so variable and complicated that even if the rains fail this summer, it will be difficult to prove that the oil fires caused the trouble. On the basis of fluctuations in Pacific Ocean temperatures, Jagadish Shukla, director of the University of Maryland's Center for Ocean-Land-Atmosphere Interactions, is predicting that this year's rains will be less than normal. Shukla and others wonder whether the heat from the fires is sufficient to affect a system as large as the monsoon. El-Baz readily admits that his theory is riddled with unknowns, but he asserts that the dispersion pattern of the dust and oil indicates that a

high-pressure system, which could drive the grimy cloud southward, is already in place. Even if the rains do come, the sulfur-laden smoke and soot may make the soil too acidic for crops to grow. Considering the scale of these threats, it is surprising that organized efforts to gather information about the fires are only just getting under way. Last week a team of scientists sponsored by the Defense Nuclear Agency, the National

Science Foundation and the National Geographic Society, among others, began their first flights to analyze the composition, density and persistence of the smoke. One important question: Does the smoke naturally repel water or, as El-Baz and some other scientists suspect, actually seed clouds by providing nuclei for raindrops?

The Bush Administration seems to be downplaying the impact of the fires—perhaps because it does not want to raise any doubts about the wisdom of the gulf war. A preliminary report issued last month by the Environmental Protection Agency admitted that particles in the smoke could be a “major hazard” but contended that there was little immediate risk to healthy Kuwaitis from noxious gases, a finding that astounded some observers. Physicist Henry Kendall, chairman of the Union of Concerned Scientists, says the fires are burning with a poor 70% to 90% efficiency, guaranteeing that a stew of poisons is being shot into the atmosphere.

The White House has reason to be concerned about public opinion, since the Administration knew from the start that the oil blazes were a likely outcome of the war. As early as September, Saddam threatened to blow up the wells if the allies tried to retake Kuwait, giving the Administration ample time to decide whether the damage such sabotage would wreak on the environment was an acceptable risk. Now the people of the gulf region can do little but pray that the most dire predictions do not come to pass.

—With reporting by Andrea Dorfman/
New York and William Dowell/Cairo

● COVER STORY



Fantasy's Reality

Orlando, the boomtown of the South, is growing on the model of Disney World: a community that imitates an imitation of a community

By PRISCILLA PAINTON ORLANDO

It takes people a while to get used to living in Orlando. This is a city where they vacuum the streets at night and disinfect the public telephones with Lysol, where the airport has a moat with live alligators in it, where you can buy your hubcaps at Hubcap World. "At first Orlando weirded me out," says Bob Simonds, 28, a producer from Los Angeles who filmed a movie there. "I saw it as a big Disney production. It seemed like a fraud, a city on overload. Now I love this place. It's like Norman Rockwell's America or Dennis the Menace on acid."

If Simonds seems to be groping for a figure of speech, so is everyone else who passes through Orlando. Yet in one sense, what is happening in central Florida is as old as the nation. Americans have always built new communities in the image of earlier ones—from New Amsterdam to San Francisco's Chinatown to Miami's Little Havana. In another sense, the phenomenon of Orlando is something new. Orlando, the boomtown of the South, is growing at a staggering pace on the model of Disney World: it is a community that imitates an imitation of a community.

Orlando's destiny was sealed on Disney Day, Oct. 1, 1971, when Disney World opened wide its gates. Since then, the swamp, once called Mosquito County, has become the top commercial tourist destination in the world. Currently it draws 13.3 million people a year, up from 4.6 million in 1980. As a shrine, it is surpassed only by Kyoto, Mecca and the Vatican. The 2,558-sq.-mi. metro area has the largest concentration of hotel rooms in the country (76,300), with the highest occupancy rate (79%). More than 18 million passengers ar-

rive at Orlando International Airport every year, three times the number entering 10 years ago—and, if the planners are right, half the number who will alight three years from now. Cities from Rio to Frankfurt have direct flights to the Disney doorstep, and airport officials are already preparing for a day in the next century when tourists from San Francisco will hop across the continent in 39 commuting minutes.

Disney World lures them, but Disney World can't keep them. So people who are enthused about Disney's meticulous vision of social order are moving next door to Orlando—in droves. In the past decade the population of Seminole, Osceola and Orange counties (which cradle Orlando) has swelled by 102 people a day, to slightly more than 1 million, which is as if the entire population of Tulsa had pulled up stakes and moved there. In the same period, the region led the nation in creating new factory jobs—nearly 2,500 a year—while employment in the service sector increased 137.9%. Tupperware and Martin Marietta have been in Orlando for 40 years, but they have recently been joined by other bedrock institutions like Westinghouse, the American Automobile Association and AT&T.

High-tech businesses were attracted decades ago to Cape Canaveral, 40 miles away, and they are still coming. Today they are creating jobs in Orlando at a rate three times the national average. Patriot missiles, infrared sights for night warfare and other inventions of the Star Wars era are assembled only a few miles from the site where tourists board fantasy rocket rides based on George Lucas' *Star Wars*. Disney World has the Space Mountain roller coaster; Orlando has FreeFlight Zephyrhills, a firm that is experimenting with

wind-tunnel technology to simulate a sky-diving experience on the ground. Disney's Epcot Center has Michael Jackson in 3-D as Captain Eo; Orlando created the simulators on which allied pilots learned to aim their smart bombs.

The movie industry too has moved in. Both Universal and Disney have built studios hard by Disney World, helping to give Orlando the nickname "Hollywood East." Universal has constructed six sound stages and the largest back lot outside Hollywood. In the past two years, as many as 12 feature films, 500 television episodes and dozens of commercials have been made there.

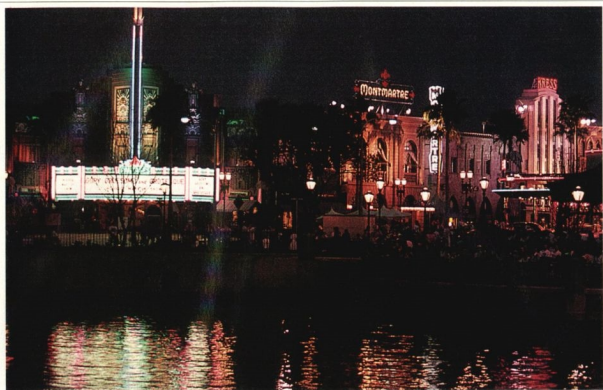
In the spirit of the place, Universal and Disney studios also double as playgrounds where tourists can experience "real" versions of screen phantasms. Universal offers a bumpy encounter with a robotic King Kong, whose breath is banana scented. Not to be outdone, Disney-MGM Studios Theme Park has created participation shows like the *Indiana Jones Epic Stunt Spectacular*, where visitors pretend to be extras along with actors who pretend to be extras on sets that pretend to be sets.

Orlando's roccoco industry of make-believe has put some zip into local gossip columns. Hollywood celebrities pop up regularly. Some, like Steven Spielberg and Robert Earl, the British mastermind behind the international chain of Hard Rock Cafes, have even bought homes in Orlando. The area, says Earl, is "full of millionaires driving trucks and wearing jeans."

Millionaires in jeans is the stuff of ordinary boomtowns. But not every boomtown

Swept away: vacationers paddle in Typhoon Lagoon, where 4½-ft. waves crash on the shore every 90 seconds





City of light: Orlando at night, the time when workers vacuum litter off the streets

has the Mouse as its Medici. When the \$5.8 billion Walt Disney organization established itself near Orlando, it settled on a 43-sq.-mi. property (twice the area of Manhattan) and won from the Florida legislature a sovereignty often compared to the Vatican's. Above all, it brought to Orlando the power of the Disney ethos, which can never be overstated. Executives have traveled to the park to learn about the Disney style of management, which trains employees to cherish Walt, despise stray gum wrappers, follow a manual that sets the hem length of costumes to the exact inch and put on a smile all day every day. KGB agents have visited the park to line up for photographs with Mickey Mouse. Cultural anthropologist Umberto Eco has studied the Disney iconography. Novelists like Max Apple have produced mythical tales about the park's genesis in Orlando. And so many terminally ill children have made a trip to Disney World their last wish that a foundation has established a permanent village nearby to accommodate them.

But even Walt, ambitious social engineer that he was, might have been taken back by the adoption of his commercial vision as Orlando's urban-planning model. Many new arrivals value the place because it offers the virtues of an escape: it is a subur-

ban sprawl that strives to eliminate every kind of vexatious complexity. "People come here because they know it's going to be safe," says Thomas Williams, head of Universal Studios Florida. "They don't have to worry about the weather. They don't have to worry about the car getting broken into. They don't even have to worry about whether they are going to be entertained." Says William F. Duane, a lawyer who moved there in 1974: "It's like a voluntary conformity. You kind of feel seduced away from reality. But maybe I'm wrong; maybe *this* is reality." Charles Givens, an Orlando resident whose book *Wealth With-*

out Risk has been on the best-seller list for more than two years, puts it another way: "The best place to live is where everybody wants to vacation."

But about 20 miles away at Disney World, many tourists hold just the opposite: the best place to vacation is the place where you can only dream of living. "It brings you back to a moral, clean time that today we've lost," says Shirley Schwartz, 44, of Wayne, N.J. Praise of Disney World by its patrons often turns into condemnation of the disorder and unsightliness in the rest of America. "Do you see anybody here lying on the street or begging for money?

Do you see anyone jumping on your car and wanting to clean your windshield—and when you say no, they get abusive?" asks Linda Staretz, 48, of Livingston, N.J. "Look at the quality of the people. Doesn't that say anything?"

What it says is that Disney World is predominantly white and middle class—and so is Orlando. The city, like Disney World, offers relief not just from the pressures of geography (it is flat and still undeveloped) and of history (more than half the area's population arrived during the past 20 years) but, most of all, from contending ethnicity. In that sense, Orlando is a new psychological frontier, a jumping-off place for a society that revels in the surface of things, even if deeper problems remain unaddressed.

Orlando spends tax money, for

Strange but True

■ **Osceola County, just south of Disney World, has one mobile home for every two houses.**

■ **If one person ate one hamburger at each of three meals a day, it would take about 12 years to consume the number of burgers served in one day at Disney World.**

■ **The energy emitted by the steam and flame effects at Universal Studio's Kongfrontation would heat 1,500 homes a day.**

■ **More than nine tons of man-made snow fall at Sea World's Penguin Encounter daily.**

■ **The oddest natural curiosity in the area is Spook Hill, 50 miles south of Disney World, where drivers can shift their cars into neutral and mysteriously roll backward "up" toward the top.**

Living

example, to have workers pick cigarettes out of tree planters, but the Florida Symphony Orchestra, one of Orlando's major cultural adornments, almost folded four months ago for lack of community support. Orlando faces all the pressing burdens of a boomtown, from lengthening traffic lines on its highways to pollution in its lakes, but the region will not raise taxes to deal with them. (Orange County has lowered its property-tax rate almost annually since 1969.) In the post-Disney real estate explosion, bureaucrats, farmers and tire salesmen have become instant millionaires, but so little money has been spent on the overcrowded regional school system that some classes have been taught in gym storage rooms. About 15,000 people pack the Orlando Arena for every game of the Orlando Magic, the two-year-old National Basketball Association team; but residents and civic leaders in Orange and Osceola counties complain that the area lacks a sense of community responsibility. "It's a lot easier to pull for the hometown team than to volunteer at a hospital," says Linda Chapin, chairman of Orange County. Says her counterpart in Osceola, Jim Swan: "It's hard to govern when you have no clear idea what kind of place a place wants to be."

If Orlando does not know what it wants to be, it knows at least how it wants to be-

have: cheerfully, at all cost. Boosterism is almost a civic duty, with a Disneyesque tinge. The city's pitch for a National League baseball team included a promise to build not just a concrete mega-ballpark but an old-time, intimate "field." Orlando hopes to embrace mass transit, but an old-fashioned trolley line is getting priority over a modern elevated rail system. Orlando basketball games are not games but "theatrical productions," in the words of Magic manager Pat Williams. He spent more than a year searching for the fabric and color of the team's uniform. "Disney sets the tone for everything in Orlando," he says.

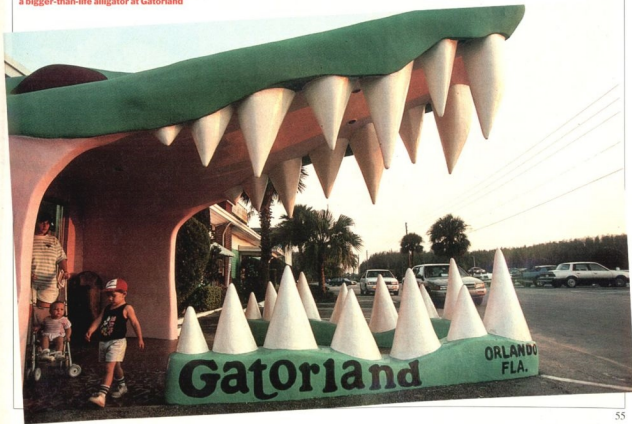
Before Disney World, Orlando's attractions were the Tupperware Museum and Gatorland, where visitors could watch alligators lunging for chicken carcasses. Gatorland is still there, but now there are Sea World and Reptile World, Wet 'n Wild and the Mystery Fun House, Xanadu and Cypress Gardens. In Orlando, restaurants, hotels, shops and golf courses all want to be theme parks, or at least themes. A store selling Christmas trinkets is called Christmas World. There are Bargain World, Flea World, Bedroom Land and Waterbedroom Land. At the Medieval Times restaurant, patrons can eat roast meat with their hands and watch

knight in armor joust on horseback. At the Arabian Nights, sheiks steal gossamer-clad princesses during dinner shows. Orange County's most famous golf course, the Grand Cypress resort, has reconstructed the layout of the hallowed Old Course at St. Andrews in Scotland. The Florida Peabody Hotel copies a ritual of the original Peabody in Memphis: every day at the appointed hour, mallard ducks waddle off the elevator to wade in the lobby's marble fountain.

Orlando's residential subdivisions have the same dreamed-in feel: strung along narrow county roads, many are pastel agglomerations of arbitrary architecture, all behind secure walls. "When you drive around Orlando," says John Rothchild, author of *Up for Grabs*, a cultural anthropology of Florida, "it's not clear where Disney World begins and ends."

That's because the city and the park are looking more like each other every day. The heart of Disney World is Main Street U.S.A.—constructed, at the creator's specifications, so that the buildings are subtly miniaturized. "This costs more," Walt Disney said, "but made the street a toy, and the imagination can play more freely with a toy. Besides, people like to think their world is somehow more grown up than Papa's was." Now architect Andres Duany wants to bring a residential equivalent of Main Street to eastern Orange

Jaws, the playground: a child romps inside a bigger-than-life alligator at Gatorland



Living

County. His proposal is named Avalon Park, a 9,400-acre community made up of compact neighborhoods with convivial squares. Like Disney World, Avalon would be strollable and full of shops and parks, and like Disney World, it would be built in the middle of nowhere. In nearby Osceola County, Disney is getting into the business

of residential utopias, harking back, in a way, to Walt's original concept for Epcot. His Experimental Prototype Community of Tomorrow was intended to be sealed under a glass dome to keep out heat and humidity. It was to have had stores, apartments, schools, churches, offices, marinas, parks, golf courses, a monorail, a vacuum-tube

trash-disposal system, a central computer controlling everything from streetlights to hotel reservations—and it was to have housed temporary residents who were to abide by Disney codes of dress and behavior.

Epcot never took that form, in part, according to author John Taylor, because Walt realized he would have had to substi-

A guide to fantasies present and yet to come...

1 Magic Kingdom

Disney World's premier theme park; rides and adventures in seven lands



2 Wet 'n Wild

Aquatic amusement park with rides like Kamikaze, Mach 5 and Blue Niagara



3 Hard Rock Cafe

Located next to Universal Studios, the music-memorabilia-decorated, guitar-shaped restaurant is part of the international chain



4 Universal Studios

Features movie-theme attractions like E.T. Adventure, Earthquake and Kongfrontation



13 Epcot Center

Disney's futureworld and a showcase of life in 11 countries



12 Disney-MGM Studios

Latest addition to Disney World. Visitors get a behind-the-scenes look at movie and TV production

11 Cypress Gardens

Lush tropical foliage and Southern belles synchronized swimmers and water-skiing shows



10 Vedaland

A project in the works teaming magician Doug Henning and Maharishi Mahesh Yogi that will be a high-tech playground of higher consciousness



9 Perestroika Palace

Russia in America. Plans include a replica of St. Basil's in Moscow's Red Square



5 Kennedy Space Center/Cape Canaveral

Site of shuttle launches. Offers tours, films of space flights, and replicas of vehicles



6 Phoenix World City

A floating luxury resort and conference center. At nearly a quarter of a mile long, it will be the largest passenger cruise ship ever—it built as proposed

8 Sea World

Home of Shamu the killer whale. Aquatic shows and exhibits including penguins, sharks and petting pools



7 Gatorland

Hundreds of alligators and crocodiles on view in their natural environment



TIME Map by Paul J. Pugliese
Illustrations by Nigel Holmes

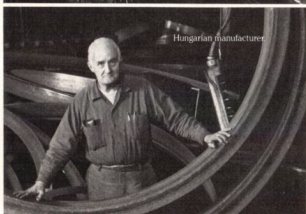
This fund puts some of the world's most extraordinary businessmen to work for you.



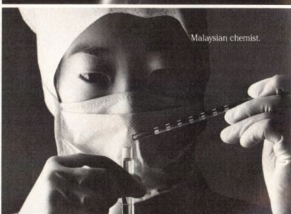
Austrian craftsman.



Chilean engineer.



Hungarian manufacturer.



Malaysian chemist.

Invest in expanding economies with the Merrill Lynch Developing Capital Markets Fund.

The entrepreneurs making today's headlines can now work for your bottom line.

With this Fund, you can seek long-term capital appreciation by investing in countries expected to benefit from their recent shift to capitalism. While the capital markets and currency movements of these countries can

be volatile, the rewards may be greater than those obtained from investing in more mature equity markets.

Of course, more details on this Fund or our family of funds may be obtained. Just call us or return the coupon. One of our highly trained Financial Consultants will be happy to help you.

A prospectus containing more complete information, including all charges and expenses, is available from a Merrill Lynch Financial Consultant. Please read it carefully before you invest or send money.

Call 1-800-637-7455, ext. 6833

Return to: Merrill Lynch Response Center
P.O. Box 30200
New Brunswick, NJ 08989-0200

Please send me a brochure and prospectus on the Merrill Lynch Developing Capital Markets Fund, Inc.

Name

Address

City State Zip

Home Phone

Business Phone

Merrill Lynch clients, please give the name and location of your Financial Consultant.



Merrill Lynch

A tradition of trust.

9833



FORTUNE

Inside the mind of management.

“Our nation’s future

Being ready to learn begins long before grade school. That’s why AT&T supports

depends not only on

those closest to children, people like parents, teachers, and child care providers.

improving America’s

AT&T programs range from prenatal and early-childhood care for teenage parents

public schools, but on

to helping new teachers learn to teach. As the founder of the Education Summit for

preparing our children,

business, FORTUNE supports the work of AT&T. To learn more about what other companies

both physically and

are doing to combat the education crisis, write James B. Hayes, Publisher, FORTUNE.

emotionally, to attend

Time & Life Building, Rockefeller Center, New York, New York 10020-1393.

them.”

—Robert Allen, Chairman and CEO,
AT&T



A FEW COMPELLING REASONS FOR DOUBLE-HULLED OIL TANKERS.



Last year, Du Pont announced that its energy unit, Conoco, would pioneer the use of new double-hulled oil tankers to help safeguard the environment.

Estimates indicate that they'll cost 50 million dollars each—about 15% more than conventional oil tankers. And, they'll carry about 10% less oil.

But estimates also indicate they could eliminate or significantly reduce the damage from oil spills, saving thousands of sea birds, otters, sea lions, dolphins and other sea life.

The reaction has been overwhelmingly positive.



BETTER THINGS FOR BETTER LIVING.



Hardening of the arteries: a highway near Orlando is clogged with traffic and road signs

dize residents to attract them to his closely monitored community. Epcot today is a permanent world's fair that includes two sets of pavilions: scientific ones that celebrate mankind's technological mastery of the universe and a clutch of foreign lands without masses of foreigners—11 cultural boutiques that fit around a man-made lagoon as a symbol of human fellowship. "Probably it's much cleaner here than some of those countries you would go to," says visitor Sandy Hyde of Hacienda Heights, Calif.

The current generation of social engineers has proposed an Epcot-inspired "new town" called Celebration, where the cultural center will be known as a "learning resort," streets will be "themed" in styles borrowed from Charleston and Venice, and a special site will showcase industrial wizardry used to design everything from tennis balls to compact discs. The 8,400-acre property, near Kissimmee, will also have a grocery store with computerized carts that display suggested menus.

The concept of Epcot is resonating through another fantastical project, which is being promoted off Port Canaveral, 40 miles to the east. Developers have proposed a \$1 billion "city of tomorrow" that would be built on the world's largest cruise ship, capable of handling 5,600 passengers. The floating city, like Epcot, would mix

pleasure and pedagogy: alongside the three hotel towers, casinos and villages aboard the nearly quarter-mile-long vessel would be a 100,000-volume library and a giant conference center. At sea or in port, Phoenix World City would be a "place where the best of a civilization converges and cross-fertilizes to produce a fuller way of life," according to a florid brochure.

A group of Soviet and Alaskan businessmen, in the meantime, have come to town proposing to build what they are calling Perestroika Palace, a park for disco, diplomacy and dealmaking. Plans call for an \$18 million palace modeled after St. Basil's Cathedral in Moscow's Red Square, linked symbolically to an Alaska mining- and trading-company post by a bridge over a man-made reproduction of the Bering Strait.

Another developer has picked Orlando for a project on an even higher plane: a 480-acre theme park called Vedaland, scheduled to open in 1993. The Maharishi Mahesh Yogi, the saffron-robed Indian guru who brought transcendental meditation to the world (and to the Beatles), has teamed up with magician Doug Henning to produce a spiritual equivalent of gourmet TV dinners, a high-tech, fakery-filled playground, ostensibly to help put man in harmony with nature. The 38 attractions will include a building that appears to levitate

above a pond, a chariot ride inside the "molecular structure" of a rose and a journey over a fabricated rainbow. Naturally, there are unbelievers. Says Orlando *Sentinel* columnist Robert Morris: "Somehow I just can't picture Buster and Betty Lunchbucket of Racine, Wis., along with all the little Lunchbuckets, lining up to get in touch with their inner selves."

Orlando has also spawned a number of hometown financial visionaries, like Glenn Turner, whose name is to financial pyramids what Ivan Boesky's is to insider trading. Before his "dare to be great" marketing schemes earned him a seven-year jail sentence for fraud in 1987, Turner had built a \$3.5 million Cinderella-like castle near Orlando and set his theme song to the tune of the Mickey Mouse Club anthem ("Now's the time to say goodbye to all our poverty, M-A-K... I-N-G... M-O-N-E-Y"). While Turner sits in prison, one of his disciples, best-selling author Givens, is prospering in Orlando. Givens bought a lakefront spread outside the city and decorated his driveway with a white Rolls-Royce, a white BMW convertible, a white stretch Lincoln limo and a white Excalibur convertible. Givens married the former Miss Sexy Orlando, and is getting rich through

Living

his books (along with *Wealth Without Risk*, there is the newly released *Financial Self-Defense*) and financial-advice club by spreading something akin to the Disney spirit. "Life should be lived like a movie" is one of his favorite mottoes.

Beyond wealth without risk, what else should a 21st century American mecca offer its pilgrims? How about eternal life? Social worker Jerry Schall, 46, claims to have discovered the Fountain of Youth near Orlando, and five years ago rented billboard space in his hometown of Philadelphia to advertise its existence. (Schall claims that the miraculous rill is somewhere in the woods, a 35-minute drive from Disney World.) He says he was "disillusioned" with the apathetic response he received, but who needs the Fountain of Youth when Disney's own powers of rejuvenation are well known? "The place makes me feel like I'm living all over again, like I have a second wife," says Louis Schein, a septuagenarian visitor to the theme park. He illustrated the point by opening his umbrella and beginning a little shuffle to the tune of *Singin' in the Rain*.

Orlando offers hope for spiritual immortality too. Campus Crusade for Christ, an evangelical group that plans to bring the Gospel to 6 billion people worldwide by the year 2000, is moving its headquarters from San Bernardino, Calif., to the area. The Church of Jesus Christ of Latter-Day Saints, which owns a ranch in rural Orange, Osceola and Brevard counties 10 times the size of Disney's property, wants to build a community for 10,000 families.

Even Tammy Faye Bakker, the wife of defrocked televangelist Jim Bakker, has moved the vestiges of their New Covenant Ministries to a warehouse on the outskirts of Orlando; Tupperware salespeople once used the place to hold inspirational meetings. Standing in a sanctuary with pink walls, a pink rug and large brass giraffes around the altar, she reveals that Disney World holds the secret of her intended comeback. "The spiritual person and the person who wants to have fun, it's the same thing," says Bakker, who helped her husband build Heritage USA, the giant Christian theme park in Fort Mill, S.C., that went under. "When you're in Disney, you have hope that things can be better. And when we know God, there's always hope for a better place, which is of course heaven."

While Orlando's entrepreneurs sell in-

stant Edens, Orlando residents are finding that their earthly garden is being turned upside down. The last orange grove on Orange Avenue was knocked down in 1977. A tourist's only glimpse of the crop that once supported Orlando's economy is likely to be the miniature orange trees "that really bear fruit" sold in souvenir shops. In the past 20 years at least four of the city's main thoroughfares have become cluttered with fast-food joints, gift shops, motels, hotels and gas stations that mount a neon assault (\$2.99 FOR MICKEY MOUSE!) on passersby. On some strips, condominiums and steak houses have been put up a few yards from

Disney Attractions, Dick Nunis, is beginning to talk about the need for a second such artery. And so far, no one can agree on where, or even whether, to build a public transportation system for the metro area.

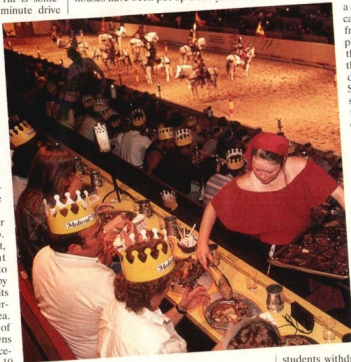
Perhaps the clearest indication of the area's hypertrophy is the state of its public schools and welfare agencies. There the precarious prosperity of a low-paying but fast-growing service sector is quickly exposed. Osceola County had only 19,000 residents in 1960; now it has that many hotel rooms. Many of the maids and clerks who work in them earn \$4 to \$6 an hour

without health insurance in a community that requires a car. They are a mishap away from poverty. "Many people come down here chasing the pot of gold at the end of the rainbow, but they come down unprepared," says Sally David, who helps steer new families to affordable housing in the county. "They don't have enough money to survive if their car breaks down or if they have to go home when they don't make it."

The lucky members of this fragile immigrant class live in Osceola's throng of trailers. Welfare workers, who have more than tripled their case loads in the past decade, report finding newcomers sleeping in cars or in the woods. At Osceola High School last year, transience was the only constant: 700 of the school's 2,200 students were newcomers; 500

students withdrew before the end of the term. "Kids in the classroom don't even know the other kids in the classroom. The teacher has to say, 'Hey, you,' and point," says David Campbell, executive director of the county's mental-health agency. The Orange County school system is so overcrowded that temporary classrooms have gone up on almost all the 112 school sites.

Part of this mess came about because Orlando's glowing prospects turned nearly everyone into a developer. Land that went for \$200 an acre before Disney Day can soar overnight to \$100,000 on the rumor that Disney is nosing around. Even Herbie Pugh, one of the area's most vocal environmentalists, admits that he sold 10 acres to a developer eight years ago and pocketed \$100,000 in return. "They offered me such a good price, I couldn't resist," he says. Climatic freezes that devastated the orange groves three times in the past 10 years have added to the frenzy by driving farmers into developers' arms.



**Knights of the ground-round table:
diners at Medieval Times restaurant**

pastures where cows are still grazing.

"It's ugly, it's awful, it's appalling," says *Sentinel* columnist Morris. "You live here every day as a Floridian with a tremendous sense of loss." The former mayor of Orlando, Carl Langford, chose to retire somewhere else. "I spent 30 years of my life trying to get people to move down there, and then they all did," he says from his new home in Maggie Valley, N.C.

Orange County commissioner Bill Dongegan, who grew up in California, sees signs that Orlando could become the next Los Angeles. Traffic on Interstate 4, which runs through the heart of the city, slows to a long standstill at rush hour. A regional planning group has said the highway will need 22 lanes by the year 2000; it now has six. A beltway that will run from the airport around the city is being started just as the head of

County commissioners say that until recently, any discussion of controlling growth brought charges of communism. Now local leaders say residents have pulled the growth alarm, but in petty ways and without a corresponding sense of commitment to the metropolitan region as a whole. Orange County commissioner Donegan says he had a group of voters come by his office not long ago to ask him to stop a luxurious 4,000-sq.-ft. house from going up in their neighborhood because they were convinced that the project would raise the value of their homes and thus their tax bills.

Part of Orlando's evident lack of a psychological core comes from the fact that the area has never had any control over the bonanza that has given it definition. In 1967, Walt Disney persuaded the Florida legislature to give him absolute power over his newly purchased domain in the form of a government of his own, seated on the Disney property, with its own fire department, taxation authority and building codes. As a courtesy every year, Disney issues to the surrounding counties an official communication called the "State of Our World" address, which spells out the theme park's plans. The only people allowed to vote in elections affecting the entire Disney property, officially christened the Reedy Creek Improvement District, are its landowners, which means Disney and a handful of others chosen by the company. "They could build a nuclear plant out there, and there'd be nothing we could do about it," Commissioner Donegan says.

Disneydom is used to such hyperbole. Company officials say it's the price the firm pays for being the big man in town—the largest taxpayer (\$23 million a year), the largest employer (33,000 workers) and the largest contributor to Florida's tourism industry. In sum, it is the lure for 60% of the 40 million tourists who dump more than \$26 billion into the state economy every year. To charges that Disney is dangerously omnipotent, Disney executive Nunis has a firm retort: "But what have we done wrong? When we came, this was a community that was dying because young people were leaving. Today you name an industry and it now exists in central Florida."

Nonetheless, the county has begun to chafe at Disney's power. In 1988, Orange County commissioners threatened to challenge the company's self-governing status after Disney announced that it would double the number of hotel rooms it owns inside the park area, add a convention center, a six-nightclub Pleasure Island with a 10-screen movie theater, and a water park. Disney was locking up all the tourists on its property, the commission-

Even the Basketball Team ...

"Everybody knows the five secrets of Disney, and they cut across everything we do:

- **Make tomorrow pay off today;**
- **Free the imagination;**
- **Build with lasting quality in mind;**
- **Fortitude and perseverance; and**
- **Have fun!"**

Pat Williams, Orlando Magic basketball-team manager

ers complained. Disney settled in the summer of 1989 by agreeing to pay the county \$14 million to help defray the costs of widening roads off the park site. In exchange the commissioners agreed not to challenge Disney's dominion for seven more years.

Everyone seemed happy with the deal until Disney shortly thereafter announced its plan for the '90s: seven more hotels, 29 new attractions, 19,000 more employees and a fourth amusement park. There were cries of betrayal from downtown Orlando. Then the dispute between Disney and the county took yet another turn.

Every year the state of Florida allows regional governments to sell a limited amount of tax-exempt bonds to finance local projects. Last January \$57.7 million worth of this funding became available to governments in central Florida on a first-come, first-serve basis. Despite an announcement 25 years earlier that the use of such money for private projects is "repugnant to us," Disney has regularly stood in line for the offerings. This time the company was at the front of the line: it took all \$57.7 million to upgrade the Disney World sewer system, just when Orange County wanted the funding to build low-income housing.

When word got out that a corporation that earned \$703 million in 1989 had appropriated money that could have helped the poor, the public outcry could be heard all the way to Future World. The Orlando *Sentinel* called Disney the "grinch that stole affordable housing." Disney kept the money, but the controversy forced the company to promise it would not apply for the bonds in 1991.

Disney's image has also suffered from several unpleasant illegalities. Last year it was fined \$550,000 by the Environmental Protection Agency for sewage violations and for improperly

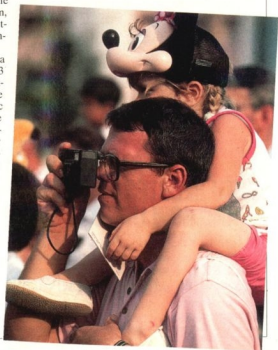
storing toxic waste on its property. The company made headlines in 1989 when—in an effort to stop vultures from pecking out the eyes of tortoises on Discovery Island—Disney employees apparently trapped and beat some of the scavengers to death. Federal and state officials charged the company that animated Bambi with 16 counts of animal cruelty. Disney agreed to give \$95,000 to local conservation groups; the charges were dropped.

"Walt Disney was the messiah," says Bob Ward, designer of Universal's 444-acre theme park. "Disney saw the future, and it was the themed environment." Ward may be right, but even Disney planners are sometimes surprised by the infectiousness of their founder's idea. Everyone might have been less surprised had they observed the Magic Kingdom's effect on a small corner of nature. When they were creating the theme park, Disney planners turned an island on one of the property's lakes into a semitropical jungle and bird sanctuary, a place of bamboo and palms, of plants from Central and South America, India, China and the Canary Islands. The intention was to populate the island mostly with lifelike robot birds, with a few real ones thrown in for charm's sake. But the living birds attracted hundreds of others, which flew in from all around the region.

Now there are no robots on the island, only a colorful, noisy bird colony. Like Orlando, it is thriving, out of the reach (almost) of predators, deep in Disney World's embrace.

—With reporting by

Cathy Booth/Orlando



Father and daughter record their Disney World idyll

**COMPARED TO A HONDA ACCORD,
THE DODGE SPIRIT AND
PLYMOUTH ACCLAIM HAVE
MORE ROOM, A LONGER
POWERTRAIN WARRANTY*
AND AN AIR BAG.**

**WHAT ARE YOU WAITING FOR?
A SPECIAL DEAL?**



Dodge Spirit

Plymouth Acclaim

OKAY, YOU'VE GOT IT. SAVE UP TO \$2,250
WITH REBATES OF \$1,000, PACKAGE DISCOUNTS OF UP TO \$750
AND NOW UP TO \$500 IN FACTORY-TO-DEALER INCENTIVES.**

But \$2,250 is just the beginning. With additional factory-to-dealer incentives you could save even more. And look what the option package includes: air conditioning, power windows and door

locks, 4-speaker stereo system and more. So don't wait. See your nearby Dodge and Chrysler-Plymouth dealers.



Advantage: Dodge



Advantage: Plymouth

*Protects engine, powertrain and against outerbody rust-through. See limited warranty and its restrictions at your dealer. Always wear your seat belt. **\$1,000 rebate on new dealer stock, up to \$750 package discount (depending on model) based on sticker price of options if purchased separately, and up to \$500 factory-to-dealer cash which dealer may choose to pass along to you. Actual prices vary. See dealer for details.

Law

What Say Should Victims Have?

A boy's anguish at watching the murder of his sister may change the death-penalty laws

By WALTER SHAPIRO

If, as the Declaration of Independence so eloquently declares, "all men are created equal," then can society place an unequal weight on the tragically lost lives of murder victims?

This is not an exam question in a college philosophy course but a moral conundrum at the core of perhaps the most intriguing case facing the U.S. Supreme Court, *Payne v. Tennessee*. Justice David Souter, the court's swing vote, asked during oral argument last month whether "it really is legitimate to value victims differently depending upon the circumstances of the lives that they have chosen to lead." Tennessee Attorney General Charles Burson's response was unequivocal: "There can be no doubt that the taking of the life of the President creates much more societal harm than the taking of the life of the homeless person."

Just 25 years ago, such stark legal reasoning was virtually unknown in modern American jurisprudence. Punishment was meted out because of the nature of the crime, devoid of any reference to the social identity of the victim. But since then, compassion and political calculation have combined to transform crime victims and their advocates into a potent lobbying force.

Beginning with California in 1978, 47 states now allow some form of so-called victim-impact statements to be included among the evidence weighed during the sentencing phase of criminal trials. Congress endorsed the principle in 1982 by approving victim-impact statements in federal cases. But the Supreme Court, by a 5-to-4 vote in 1987, carved out a crucial exception: neither the life of the victim nor the suffering of his survivors could be a factor in any state or federal case punishable by death. Now the court appears about to reverse itself in its forthcoming decision in *Payne*.

The details of the case are grisly: in 1987 a three-year-old boy, Nicholas Christopher, watched as his mother and baby sister were stabbed to death in Millington, Tenn., a Memphis suburb. The murders were committed by Pervis Tyrone Payne, a 20-year-old retarded man, who also badly wounded the boy. Payne's guilt is not in



JOHN CHASSON—SYGMA FOR TIME

question; in 1988 he was convicted by a Tennessee court.

Instead, what is at issue before the Supreme Court is the legal validity of evidence the prosecution presented to the jury before it decreed death rather than life imprisonment for Payne. The most controversial testimony was provided by the boy's grandmother, Mary Zvolanek, who recounted in heartrending fashion how Nicholas cries out almost daily for his dead sister. The prosecutor ended his final argument to the jury with this emotive passage: "Somewhere down the road, Nicholas... is going to know what happened to his baby sister and his mother. He is going to know what type of justice was done. With your verdict, you will provide the answer."

But should young Nicholas' anguish have a direct bearing on Payne's punishment? Will a Supreme Court decision upholding Payne's sentence create a climate where the wails of a murder victim's relatives will ordain vengeance in the form of capital punishment? During the oral argument, Chief Justice William Rehnquist probably reflected his own views when he asked Payne's attorney, "Are you suggesting that the jury's feeling of sympathy or perhaps outrage at the crime and what it's left the victim with is not a permissible factor at all?"

Like the debate over capital punishment itself, the *Payne* case is rife with emblematic importance, yet it is only tangentially connected with the nation's alarming murder rate. Currently, the death penalty is decreed in only 3% of all murder convictions, and only a small percentage of these lead to actual executions. "The significance of *Payne* is more societal in terms of what it says about the proper role of the crime victim in the criminal-justice sys-

In court, Nicholas Christopher's grandmother recounted in heartrending fashion how the boy cries out almost daily for his dead sister

tem," argues Richard Samp, a lawyer with the conservative Washington Legal Foundation, which is representing the Zvolanek family. This political symbolism has not been lost on the Bush Administration; Attorney General Dick Thornburgh made a rare appearance before the Supreme Court to argue that a jury should be given "the full picture of the nature and extent of the harm that's been caused to the family."

Critics of the government's position raise provocative philosophical and practical objections to an additional legal enshrinement of victims' rights. "It will take a giant step away from presumptions of equality in the worth of lives," broods Tufts University philosophy professor Hugo Bedau. "The criminal-justice system has traditionally been held to the myth of equal treatment of all who come before it."

With serious questions of racial and class bias already swirling around capital punishment, there are concerns that a decision upholding Payne's death sentence will produce further inequities. Hypothetically, the grieving family of a murdered bank president would be persuasive witnesses for the death penalty, while no one would speak for a slain prostitute. Diann Rust-Tienke of the A.C.L.U. is worried that the Supreme Court will "sanction different punishment based on the worth of the victim and aggravate an already pronounced discrimination in the way that the death penalty is applied."

There is, sad to say, no way society can ever provide more than token recompense to the relatives of murder victims. That is why it is an illusion—born of compassion, it is true—that justice can be found by adding their pain to the calculus of retribution in the courtroom.

—Reported by

Julie Johnson/Washington

The Watchdog Wakes Up

Food companies can forget the days of anything-goes regulators. A new FDA commissioner is cracking down on deceptive labels.

By ANASTASIA TOUFEXIS

For a while now, the makers of many vegetable oils have had a nice little gimmick going. On their bottles, in big, easy-to-read letters, are the words "no cholesterol," sometimes printed with a cute drawing of a healthy heart. The implicit message: Cook all the French fries you want in this oil and don't worry about heart disease.

The only problem with this marketing ploy is that it is nonsense. Cholesterol is found only in foods from animals, and thus putting "no cholesterol" on a vegetable-oil label is misleading. More pertinent to the consumer is the fact that the oils are a liquid form of fat—pure fat. And high-fat diets have been linked to heart disease, breast cancer and a variety of other ailments. So hold the French fries.

Not so long ago, the food industry could pull this kind of shenanigan with impunity. But that was before the emergence of the new Food and Drug Administration. Not the old, demoralized, anything-goes agency whose officials accepted bribes for approving untested generic drugs, but an FDA that seems to be rededicated to protecting the public. Last week the FDA ordered Procter & Gamble, the manufacturer of Crisco Corn Oil, along with Best Foods, which markets Mazola Corn Oil,

and Great Foods of America, maker of HeartBeat Canola Oil, to cut out the "no cholesterol" business. While Best Foods and Great Foods stalled by saying they would work with the FDA to resolve the dispute, P&G went ahead and announced it would drop the offending words from Crisco—and also voluntarily remove the "no cholesterol" claim from Duncan Hines cake mixes, Fisher Nuts, Puritan Oil and Pringle's potato chips.

It was the second time in three weeks that the FDA had dared challenge the big food companies. The first target was Citrus Hill Fresh Choice orange juice, another P&G product. After more than a year of wrangling over the word "fresh" (the product is made from concentrate and is pasteurized), the FDA had U.S. marshals impound 24,000 half-gallon cartons of the juice at a suburban Minneapolis warehouse. P&G gave in within two days. Unilever subsidiary Ragu Foods, which since 1989 had been skirmishing over the same word on labels for its processed pasta sauce, soon dropped its fight. And earlier this month two other companies revealed that they were removing "fresh" from pasta sauces: Nestlé from the Contadina brand and Kraft from DiGiorno sauce.

The architect of the new FDA is David Kessler, 39, who became commissioner last December. Kessler is a far cry from the

Rita Lavelle-style, wine-and-dine-with-the-industry regulators who reigned during the Reagan years. With a degree in medicine from Harvard and one in law from the University of Chicago, he understands health issues and knows how to devise and enforce tough regulations. In the early '80s he served as a consultant on FDA matters to Utah Republican Senator Orrin Hatch, who brought Kessler's talents to the attention of the Bush Administration. But the White House, with its friends in Big Business and its fealty to the philosophy of deregulation, may not have expected so much activism so soon. "I have no problems making decisions," declares Kessler, who is investigating several strategies to bolster FDA enforcement. Among them: levying fines, giving subpoena powers to agency inspectors and searching through corporate records.

Food companies contend that the confusion about their labeling stems not from deception on their part but from the government's failure to issue clear guidelines for making nutritional and health claims. The FDA plans to set forth revised labeling rules next year. "Once these regulations are out," says John Cady, president of the National Food Processors Association, "industry will know clearly what the FDA expects and will certainly comply." Cady charges that Kessler's current "hunt-and-peck approach" of targeting big companies is largely an effort to shine up the FDA's tarnished image.

The agency surely needs better public relations—and much more. A report issued last week by an advisory panel to the Department of Health and Human Services concludes that the FDA is underfunded, understaffed and overwhelmed by its mandate, which ranges from approving drugs and monitoring the nation's blood supply to checking food imports and regulating the cosmetics industry. From 1979 to 1988, 23 laws were passed that broadened the FDA's responsibilities; at the same time, the agency lost 900 of its 8,100 employees.

That slide may finally be over. Congress has boosted the agency's budget by \$150 million in the past two years, to \$682 million for 1991, and the number of staff positions is up again to about 8,400. With that backing, Kessler hopes to strengthen the FDA in all areas. By picking on big food companies sensitive to publicity, he has made an astute start at establishing himself—and re-establishing the FDA—as the nation's top health cop. —Reported by Dick Thompson/Washington and Linda Williams/New York



In just five months, FDA chief Kessler has begun to restore public faith in an agency plagued by underfunding and overwork.

WHAT'S WRONG WITH THESE LABELS?



It's misleading: the words "no cholesterol" stripped across a heart imply that this vegetable oil is healthy for the heart. True, it does not contain cholesterol, but, more important, vegetable oils are pure fat, and too much of that hurts the heart.



It's false: the pasta sauce touts itself as "fresh." That may describe the taste, but certainly not the preparation. In fact, the sauce is a precooked concoction of processed tomatoes and spices.



Photo by Teresa Hepburn Levine, sales manager, Bellingham, Mass.



No print film gives you truer, more accurate color. Why trust your memories to anything less?



© Eastman Kodak Company, 1991

Show Your True Colors.™



Cinema



Davis and Sarandon portray a lovably eccentric duo driven to crime by an unfeeling society

A Postcard from the Edge

THELMA & LOUISE Directed by Ridley Scott; Screenplay by Callie Khouri

By RICHARD SCHICKEL

The '60s gave us Bonnie and Clyde, Butch and Sundance. The '70s gave us *The Sugarland Express* and *Badlands*. Maybe one of the troubles with the '80s was that its movies were singularly lacking in truly memorable outlaw couples. *Thelma & Louise* is a sign that things are looking up in the '90s.

Ridley Scott's movie pays direct, imagistic homage to at least three of these predecessors. And first-time writer Callie Khouri remains true to convention in two important respects: her road-running pair are lovably eccentric; and they are, in the largest sense, innocents. The uncomprehending world may see them as the dangerous perpetrators of a colorful crime spree. We, however, are encouraged to understand them not as public enemies but as public victims. It's an unfeeling society that is really responsible for their wicked deeds.

But the title clearly announces the film's most significant innovation. *Thelma & Louise* is the first important movie to plop two women in a car and send them careering down open Western roads with the cops in wheel-spinning pursuit. And it is the first movie to use sexism as the motivating force for their misdeeds.

It starts out larkishly enough. Thelma (Geena Davis) needs a respite from her traditionally male, that is to say, endlessly oinking, husband, and Louise (Susan Sarandon) is tired of waiting for her musician boyfriend to return from his one-night gigs in Ramada Inn cocktail lounges. A weekend at a friend's mountain cabin sounds just right.

Until, at their first pit stop, everything starts to go all wrong. For there they encounter a guy named Harlan (Timothy Carhart), who thinks buying a woman a

drink entitles him to something more than flirtatious conversation. When he tries to rape Thelma in the parking lot, Louise kills him—cold-bloodedly, after he has unhandedly her friend. You see there is something dark, something the film never fully explains, in her past.

The only decent male the pair encounter is Hal (Harvey Keitel), the detective leading the chase. Mostly they come across a lunatic variety of hunks and lunks. When the men are not sexually objectifying or exploiting the ladies, they are ripping them off. A convenience-store bandit absconds with their getaway money, but not before teaching Thelma the tricks of his trade. "I feel I've got a knack for this," she muses after knocking over her first grocery store.

Davis and Sarandon certainly have a knack for playing this relationship. Davis emerges from repression to self-confidence with a joyous air of self-astonishment, while Sarandon takes a trip in the opposite direction. At the beginning, she's all cool confidence, the practical brains of their jerry-built organization. By the end, life has taught her a thing or two about just how provisional it can be.

Thelma & Louise, like so many movies of its type, maintains a cheery, jokey air as its principals drift toward disaster. Fans of the smog and fog that director Scott has pumped through films like *Blade Runner* and *Black Rain* will be glad to know that he has found its equivalent in the dust kicked up by speeding cars on back roads. But the better news is that working territory new to him, Scott has balanced action, comedy and doomy subtext to create a morally firm yet very entertaining fable that reaches out to an audience far larger than its natural feminist constituency.

Mean Season

WHAT ABOUT BOB?

Directed by Frank Oz

Screenplay by Tom Schulman

Into everybody's life someone like Bob Wiley (Bill Murray) is bound to fall. "Human Krazy Glue" is how Dr. Leo Marvin (Richard Dreyfuss), the fallacee in this hilarious case, describes him. For Bob is a classically needy nerd. Having no life of his own, Bob is desperate to attach himself to someone else's existence and draw psychic sustenance from it in great, draining gulps.

What better candidate than his newfound shrink? Leo seems to have everything, most especially an ego as massive as Bob's is minuscule. Looks like he ought to have plenty to spare for a destitute patient.

Shows what Bob knows. When he arrives, uninvited and distinctly unwanted, at the psychiatrist's summer retreat, he finds a family just this side of dysfunctional. For Leo is totally self-absorbed. He is too full of himself, his hopes that his new book will hit the best-seller charts, his dreams that an impending visit from *Good Morning America* will make him a media star. He has no thoughts to spare for a wife heading into terminal recessiveness and kids heading toward overt rebellion as they try to get through to their inaccessible dad.

To Leo, Bob is every horrid neurotic thing the good doctor has sworn to stamp out. But to Leo's family, Bob is the one thing Leo is not. He is available. For stupid fun. For off-the-wall counseling. For generally shaking things up. Murray, with his curious blend of pathos and aggressiveness, is terrific, and so is an acutely uptight Dreyfuss, never once copping a plea for our sympathy. At the end *What About Bob?* skids into silliness, but not before Frank Oz proves that he's a director with just the mean sense of humor these bland times desperately need.

—R.S.



Nerd (Murray) meets egomaniac (Dreyfuss)



They wintered in Bermuda,
Summered in The Hamptons,
And even their gin had a splash.

They were the world's first jet setters. And the jet was still 40 years away. If it was warm, beautiful and had plenty of water, the beautiful people of the 1920's turned it into their playground. Newport. Miami. South Hampton.

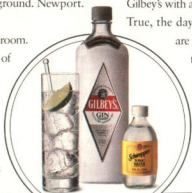
The beaches became their ballroom. The boardwalks took the place of the fashion show runway. And the nightlife of the big cities—the orchestras, the nightclubs, the entertainers—followed them to the sun.

Even their taste in cocktails

followed. Because the very same gin that made the perfect Martini in Manhattan made the perfect gin and tonic in Newport: a tall, iced glass of Gilbey's with a splash of tonic.

True, the days of the grand old boardwalks are long gone, and the big band by the water has been replaced by the boombox, but at least a bit of the old magic from the great resort life of the twenties is coming back.

The Gilbey's and tonic is once again making quite a splash.



Gilbey's. The Authentic Gin.

BACK ON
THE BLOCK

QUINCY JONES

WINNER
OF 8
GRAMMY®
AWARDS

including

ALBUM OF THE YEAR



©1990 Qwest Records. UNAS/Kevin Maize

Books

Washington's Other Monument

COUNSEL TO THE PRESIDENT

by Clark Clifford with Richard Holbrooke
Random House; 709 pages; \$25

By BRUCE W. NELAN

Of the two most prominent Washington monuments, one is 555 ft. tall, and the other is Clark Clifford, who has practiced law and government in the capital for 46 years. Unlike the marble monument, Clifford inspires genuine awe among even the most jaded political operators: few have served their country more admirably while in government—or greased the wheels so

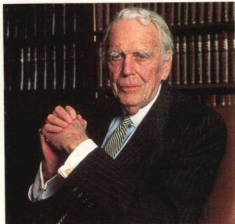
cover 1968, when, as Secretary of Defense, he overcame much of the Washington foreign policy and military establishment in the “war for the President’s mind.” He and a few allies persuaded Lyndon Johnson to try to “extricate our nation from an endless war.” Vietnam, Clifford argued, was “unwinnable at any reasonable level of American participation.”

Clifford prefers to see himself as a statesman using the “art of persuasion,” but most of the time, he has been a hired gun in Washington’s range wars, a tactician seeking out the right angle of attack. He counseled Jimmy Carter’s Budget Director Bert Lance on his banking problems, Speaker of the House Jim Wright on his ethics, and Supreme Court Justice Abe Fortas on conflict-of-interest charges.

In light of Clifford’s current troubles, his reflections on Fortas are heavy with irony. “What had driven a man of such exceptional intelligence to bring himself down through such dubious financial arrangements?” he asks. His answer: Fortas “wanted both the glory of public service and the wealth of a successful private lawyer.”

Jim Wright’s fall, Clifford observes, had elements of Greek tragedy. The same is true of Clifford’s present crisis. If he has a tragic flaw, it might be his compulsion to stay in what he calls “Washington’s great contest.” He was one of the city’s most incurable workaholics, putting in nights and weekends at the office so he could take on presidential errands and still have a flourishing practice. When Ronald Reagan took over the White House, and conservative Republicanism became the spirit of the times, Clifford must have felt increasingly outside the power game.

Clifford became chairman of First American Bankshares, Inc., now linked to a shady foreign bank, in 1982, at the age of 75. “I wanted a new challenge in my life,” he explains. Perhaps he did not ask himself if what the bank wanted was the legendary power of his name. Today, to his “anger and outrage,” he finds he has been used. His reputation for probity and integrity has been sullied, and he has been made to seem either foolish or crooked. Clifford’s art of persuasion remains so strong that readers of his book will find it difficult to believe that he is either.



The ultimate insider in his Washington office

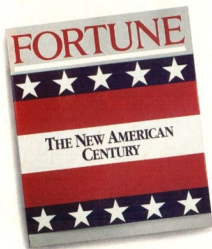
To his “anger and outrage,” he finds he has been used.

effectively for clients after entering private practice.

Though he is now under investigation in a banking scandal, this measured memoir is a reminder that Clifford came by his stature the honest way. A successful St. Louis lawyer before World War II, Clifford was called to the White House in 1945 as assistant to Harry Truman’s naval aide. He was soon named special counsel to the President. No less than Secretary of State Dean Acheson, Clifford was present at the creation of the policies and institutions that won the cold war: the Truman Doctrine, the Marshall Plan, the Department of Defense, NATO.

Clifford also arranged and played in Truman’s famous eight-man poker games on the presidential yacht, where he became friendly with powerful politicians who proved useful when he set up his law practice in 1950. Deflecting job offers from several Presidents, Clifford since then has served only nine months in public office. The most compelling chapters in his book

ON MAY 27,
FORTUNE WILL PUBLISH
THE ISSUE OF THE
CENTURY.



With new resolve, America embarks on a new century. Who will be the stars? How will they earn their stripes?

Don't miss this powerful special issue on the people, ideas, and technologies that promise to make the U.S. more competitive by the dawn of the 21st century.

It's a revealing look into the future that could influence your life and affect the way you do business now. And it's the kind of publishing event you've come to expect from the world's leading management magazine.



CHRYSLER CORPORATION
Exclusive advertiser

FORTUNE
Inside the mind of management.



Even We Had To Put Them On After Midnight.

No subject is too sensitive. No one is safe. Not when "The Kids In The Hall" take aim with their own wickedly sharp outlook on life. New episodes premiere every Friday at midnight EST.

HBO®
SIMPLY THE BEST

© 1991 Home Box Office, Inc. All rights reserved. ® HBO is a registered service mark and trademark of Home Box Office, Inc.

Books

Imagining Men

THE FIREMAN'S FAIR

by Josephine Humphreys
Viking; 263 pages; \$19.95

There is nothing like a 140-m.p.h. wind to get a new slant on things. That, at least, is the premise of Josephine Humphreys' third novel, set in Charleston, S.C., and environs shortly after Hurricane Hugo whipped through in late September 1989.

What more seductive place to locate a story about love and other disasters? The city has its irresistible charms: 18th century architecture, a dashing 19th century history and old families that have been likened to the ancient Chinese because they eat rice, drink tea and worship their ancestors. Minutes away are the Sea Islands, where the area's oversupply of physicians and lawyers spend languorous weekends gunking around in their Boston Whalers, sipping beer and picking crab.

Humphreys laid claim to this distinctive territory in *Dreams of Sleep* and *Rich in Love*. *The Fireman's Fair* should establish clear title. Her seemingly effortless sense of character and place comes from a life-long association with the Low Country and its ways. Like summer heat lightning, her style is subdued and swiftly illuminating. She is also a witty observer of regional manners. A black character, chary about New South liberalism, is described as multilingual since "he could speak the language that his listener wanted to hear."

Not so the principal character of the new novel. Rob Wyatt, a 32-year-old lawyer, is not even sure that he wants to hear his own monologues. He sees himself as a philosophical bigamist wedded to two perspectives: "Robert the Serious, a believer; also Rob the Ironic, jokester and cynic." The storm rearranges the rhetoric, leaving Rob the Observer, who drops out of his law firm to live at the beach with his dog Speedo.

A case of posthurricane depression? A literal-minded reader could argue that. But Humphreys puts the ill wind to figurative and far better uses. A white piano partially sunk in the marsh, a detached spiral staircase coiled against the horizon suggest fresh ways of seeing.

Wyatt has a writer's sensibility, but Humphreys was wise to make him a lawyer. The profession symbolizes convention, respectability and decorum. Were her pro-



Humphreys

Books

tagonist a writer, expectedly musing at the beach, no one would bother with him. There would be no lovely Louise, former girlfriend and wife of his ex-partner, trying to mother him back to responsibility and solvency. There would be no Billie, the child-woman who, like the dog trainer in Anne Tyler's *The Accidental Tourist*, teaches new tricks.

Humphreys is a virtuoso of intimation. Her insights and ironies cause twinges rather than shocks of recognition. It is no coincidence that while Wyatt prefers imagining women to handling them, his father is a philanderer who tells his son, "I'm a man who made a dozen women happy for a short time and one woman unhappy for 45 years." Imagining men, Humphreys artfully brings good news and bad: men are educable, but women still have to do it.

—By R.Z. Sheppard

Death in Poland

WARTIME LIES by Louis Begley
Knopf; 198 pages; \$19

Holocaust survivors talk of the shame of being alive. Relatives, playmates, teachers, strangers were shot where they lived or were shipped away and gassed, but they themselves somehow did not die. Why? By what justice?

Louis Begley, a Manhattan lawyer, was a young boy in eastern Poland when World War II broke out. In a remarkable, elegiac novel that surely is mostly memoir, he walks the poisoned ground. His narrator, Maciek, is the son of a prosperous Jewish doctor. Maciek's mother died in childbirth, but a large, protective family surrounds him: grandparents, servants, neighbors, a nursemaid named Zosia and a beautiful aunt, Tania. But solidity melts away as the war and the Jew hunting begin. Maciek's father is evacuated by Russian troops. Tania becomes the mistress of a German officer. She and Maciek resettle as Roman Catholics in a nearby town, then flee to Warsaw when their protector kills himself to avoid being arrested for fraternizing with Jews.

Hiding becomes a tangle of lies—their own and those of the Poles who, as long as the two have money, pretend to believe them. As life in Warsaw disintegrates, Maciek and his aunt live for months with peasants, then are on the run again. Always, food must be scavenged, shelter of some kind found. Eventually the war ends. Maciek has grown taller, noticed girls, had a kind of boyhood. But he is blighted. "He became an embarrassment and slowly died," writes the author. A man who bears one of the names Maciek used has replaced him, but he "has no childhood that he can bear to remember." —By John Skow

Where do
TIME subscribers
enjoy advisories
from
TIME bureaus
around the world?

The Bureau Chiefs' Report:
One of the exclusive privileges of TIME Plus



TIME
PLUS
More than a subscription.

Spooks? No, Good Cooks

America's most influential school for chefs has big plans to expand its empire

By JOHN NELSON

The menu is simple but nutritious: fillet of trout meunière, accompanied by steamed red potatoes, glazed beets and stir-fried vegetables. Sixteen students clad in double-breasted white cook's blouses take notes as chef Kathy Shepard begins her lecture at one of eight stoves in the crowded kitchen. "I want to see lots of colors on the plates," she says of the stir-fry. "Put in garlic if you want. That will be your outlet for creativity today." Then she picks up a slab of fish and shows how to ready it for the sauté pan. After the demonstration, the students will try to duplicate Shepard's movements, with a little extra incentive. The trout had better be edible: it's their dinner that night.

Taste is a severe taskmaster at the Culinary Institute of America in Hyde Park, N.Y. The not-for-profit Culinary, or "the other C.I.A.," as it is often called, is perhaps the nation's most influential training school for professional cooks and has ambitious plans to extend its sway. The institute, with an enrollment of 1,850 (23% female, about 12% minority) and a faculty of 100, has a roster of 22,000 alumni that includes such celebrity chefs as Debra Ponzek of New York City's Montrachet restaurant and Dean Fearing of the Mansion on Turtle Creek in Dallas.

Serious foodies can get a taste of what the Culinary offers in the fifth edition of *The New Professional Chef* (Van Nostrand Reinhold; \$49.95), to be published at the end of May. This massive revision of the Culinary's basic text, the first since 1974, contains nearly 700 recipes for everything from andouille sausage to zingara sauce, sometimes in single portions but more often in sufficient quantity to feed a hungry mob of 20. The emphasis of the lavishly illustrated 869-page manual, however, is on correct technique and *mise en place*—that is, preparation—elements that the Culinary was instrumental in establishing as essential to the training of professional chefs in the U.S.

The Culinary began life in 1946 as a storefront training school for World War II vets



A new standard: students and instructor at work in one of the Culinary's kitchens

called the New Haven Restaurant Institute, with an enrollment of 16 and a staff of three. In 1972 it moved from Connecticut to its present home: a hulking, red brick former Jesuit seminary, St. Andrew's-on-the-Hudson. Pierre Teilhard de Chardin, the great theologian, is buried there. Stained-glass windows depicting scenes from the life of Christ adorn a student dining hall that was once the seminary's chapel. It also contains a fresco of the Last Supper, boarded up for safekeeping.

Becoming a chef involves more than just learning to slice and dice. During the 21-month program leading to an associate's degree in occupational studies, students take courses in nutrition and cost control and spend weeks serving and cooking in the Culinary's four on-site public restaurants. (The presentation is stylish, the flavors subtle but often underseasoned.) They must also put in 600 hours of apprenticeship off campus at a C.I.A.-approved restaurant.

The C.I.A.'s Munich-born president, Ferdinand Metz, who went through the traditional European restaurant tutelage system, contends that the comprehensive C.I.A. approach is far superior. "Apprenticeship forces you through a manual experience," says Metz, who is the nation's only certified master chef with an M.B.A. "But in a European kitchen, you wouldn't learn stir-fry cooking unless someone showed you how." One of the C.I.A.'s 36 kitchens is devoted solely to wok cookery. Hands-on teaching is supplemented by required viewing of the C.I.A.'s made-at-home instructional tapes, which range from wine service to the slaughtering of pigs, slightly edited for gore.

To keep the C.I.A. ahead of younger competitors like Rhode Island's Johnson & Wales University, Metz hopes to establish a four-year college course leading to a bachelor's degree in culinary arts. Last month he opened an office in San Francisco as the first step toward building a branch in California's wine country.

To Joseph Baum, managing partner of New York City's Rainbow Room, "the C.I.A. has given us a new standard for American chefs." Graduates often have four or more job offers, and they have entrée to most of the nation's top kitchens. André Soltner, owner-chef of Manhattan's grand luxe Lutèce, has three grads who have been with him from four to 10 years. "That should tell you something," he says.

What's New Here?



"There is only good cuisine and bad cuisine," says the C.I.A.'s Ferdinand Metz. Good cuisine has no shortcuts, and *The New Professional Chef* offers none for such French basics as brown sauce and mirepoix. But the latest revision of the cookbook adds flavors to dishes that the old European masters never envisioned: salsas, chili butter and lime tequila.

*If
YOU'VE
EVER
BEEN
KISSED*

*you
ALREADY
KNOW*

ESTD 1765
COGNAC
Hennessy

THE
FEELING
of
COGNAC
HENNESSY

TIPS FOR THE HOMEMAKER.

If you're building a house, let us offer some important advice—Good Cents®. You see, Good Cents® homes are built to the highest standards of energy efficiency. So, you'll be saving more than energy; you'll be saving money.

Caulking And Weatherstripping Make A Comfortable Home.

When asked what they want in a home, people mention the word "cozy." And that's why Good Cents® homes are caulked and weatherstripped. Together, caulking and weatherstripping help stop the loss of energy and help eliminate drafts. Making a Good Cents® home one of the coziest homes you can live in.

We suggest using R-30 insulation for the attic, R-13 for the walls and R-11 for floors.

WHIT
CAU

Insulate Yourself From Higher Energy Bills.

One of the major causes of energy loss in a home is poor insulation. And a loss of energy can mean a loss of money. That's why it makes sense to use the Good Cents® standards for insulation. You'll find our R-values higher than industry standards call for.

Two Panes Are Better Than One.

Good Cents® homes also feature double-paned (thermal) windows. What this feature provides is literally double protection from the cold or heat outside. And that increases your energy efficiency.



A Comforting Thought.

High-efficiency heating and cooling can give you a totally new level of comfort. Because if your home meets Good Cents® standards, your heating and cooling system will keep a constant temperature throughout your home. And it will also keep you from paying for more electricity than you need.



And that's just one more reason wherever you find smart homeowners, you'll find a Good Cents® home.

Not for Men Only

Women rappers are breaking the mold with a message of their own

By DAVID E. THIGPEN

From its start in the cauldron of New York City's underclass, rap music's jolting energy and angry messages have been hostile to many outsiders, but to none more so than women. In too many rap lyrics, women are cast as pliant toys or conniving Delilahs. The male rappers who weave this image—among them Ice Cube, Ice-T, Too Short and the Geto Boys—spin exaggerated tales of salaciousness and violence, portraying themselves as potent, swashbuckling urban heroes. Since a macho image is a proven formula for success, rap producers were reluctant to sign female rappers. The music moguls were also fearful of challenging the form's rigid orthodoxies: in rap, as in heavy metal, feminine voices do not always supply the requisite loudness and abrasiveness.

Then came the surprise success of the New York City female rap trio Salt-N-Pepa, whose 1986 debut album, *Hot, Cool & Vicious*, sold more than 1 million copies. Spurred by visions of a new way to capitalize on rap's mainstream acceptance, record labels have been hurrying to develop other promising female rappers. Now a wave of female performers is giving male rappers a run for their platinum. Says Russell Simmons, the rap impresario whose Def Jam label recently signed a sharp young rapper named Nikki D: "There are more women buying rap records who would like to relate to women as artists, and there are more guys who want to hear a woman's point of view."

The new female rappers are creating buoyant messages that transcend the inert boasting so common in male rap. Salt-N-Pepa may have found the most satisfying and successful musical formula yet. Salt (Cheryl James), Pepa (Sandy Denton) and Spinderella (Dee Dee Roper), who met while working in a Sears department store in 1985, punctuate soul-tinged R-and-B melodies with teasing, street-savvy raps about maturity, independence from men and sexual responsibility. In 1988 Salt-N-Pepa, one of the first rap groups to cross over into pop radio, released a single, *Crush It*, that sold more than 1 million copies, as



MONIE LOVE

**I wasn't born to be cursed
With hands inflicting me
pain
Remain a punch bag for U
Exactly what would I gain
I graduated from school
Although I had me a
daughter
Should I continue on
Yep, that's what I oughta**



QUEEN LATIFAH

**Who said that the ladies
couldn't make it?
You must be blind
If you don't believe well
here listen to this
rhyme
Ladies First there's no
time to rehearse
I'm divine and my mind
expands throughout
the universe**



SALT-N-PEPA

**Nah my heart won't dent,
keep the money I lent
Don't forget I pay the
rent
This is my apartment
I'm independent, punk
Your lovin' stunk
You're not a hunk
This is independent funk**

TIPS FOR THE HOMEMAKER.

If you're building a house, let us offer some important advice—Good Cents®. You see, Good Cents® homes are built to the highest standards of energy efficiency. So, you'll be saving more than energy; you'll be saving money.

Caulking And Weatherstripping Make A Comfortable Home.

When asked what they want in a home, people mention the word "cozy." And that's why Good Cents® homes are caulked and weatherstripped. Together, caulking and weatherstripping help stop the loss of energy and help eliminate drafts. Making a Good Cents® home one of the coziest homes you can live in.

We suggest using R-30 insulation for the attic, R-13 for the walls and R-11 for floors.

Insulate Yourself From Higher Energy Bills.

One of the major causes of energy loss in a home is poor insulation. And a loss of energy can mean a loss of money. That's why it makes sense to use the Good Cents® standards for insulation. You'll find our R-values higher than industry standards call for.

Two Panes Are Better Than One.

Good Cents® homes also feature double-paned (thermal) windows. What this feature provides is literally double protection from the cold or heat outside. And that increases your energy efficiency.

A Comforting Thought.

High-efficiency heating and cooling can give you a totally new level of comfort. Because if your home meets Good Cents® standards, your heating and cooling system will keep a constant temperature throughout your home. And it will also keep you from paying for more electricity than you need.



And that's just one more reason wherever you find smart homeowners, you'll find a Good Cents® home.

Not for Men Only

Women rappers are breaking the mold with a message of their own

By DAVID E. THIGPEN

From its start in the cauldron of New York City's underclass, rap music's jolting energy and angry messages have been hostile to many outsiders, but to none more so than women. In too many rap lyrics, women are cast as pliant toys or conniving Delilahs. The male rappers who weave this image—among them Ice Cube, Ice-T, Too Short and the Geto Boys—spin exaggerated tales of salaciousness and violence, portraying themselves as potent, swashbuckling urban heroes. Since a macho image is a proven formula for success, rap producers were reluctant to sign female rappers. The music moguls were also fearful of challenging the form's rigid orthodoxies: in rap, as in heavy metal, feminine voices do not always supply the requisite loudness and abrasiveness.

Then came the surprise success of the New York City female rap trio Salt-N-Pepa, whose 1986 debut album, *Hot, Cool & Vicious*, sold more than 1 million copies. Spurred by visions of a new way to capitalize on rap's mainstream acceptance, record labels have been hurrying to develop other promising female rappers. Now a wave of female performers is giving male rappers a run for their platinum. Says Russell Simmons, the rap impresario whose Def Jam label recently signed a sharp young rapper named Nikki D: "There are more women buying rap records who would like to relate to women as artists, and there are more guys who want to hear a woman's point of view."

The new female rappers are creating buoyant messages that transcend the inert boasting so common in male rap. Salt-N-Pepa may have found the most satisfying and successful musical formula yet. Salt (Cheryl James), Pepa (Sandy Denton) and Spinderella (Dee Dee Roper), who met while working in a Sears department store in 1985, punctuate soul-tinged R.-and-B. melodies with teasing, street-savvy raps about maturity, independence from men and sexual responsibility. In 1988 Salt-N-Pepa, one of the first rap groups to cross over into pop radio, released a single, *Push It*, that sold more than 1 million copies, as



MONIE LOVE

I wasn't born to be cursed
With hands inflicting me pain
Remain a punch bag for U
Exactly what would I gain
I graduated from school
Although I had me a daughter
Should I continue on
Yep, that's what I oughta



QUEEN LATIFAH

Who said that the ladies
couldn't make it?
You must be blind
If you don't believe well
here listen to this rhyme
Ladies First there's no
time to rehearse
I'm divine and my mind
expands throughout
the universe

JANETTE BECHMAN—OUTLINE



SALT-N-PEPA

Nah my heart won't dent,
keep the money I lent
Don't forget I pay the rent
This is my apartment
I'm independent, punk
Your lovin' stunk
You're not a hunk
This is independent funk

did their second album, *A Salt with a Deadly Pepa: Blacks Magic*; their third album, has sold more than 500,000.

One of rap's more precocious stars is newcomer Monie Love (Simone Johnson), 19, a British import whose crisp diction, smart rhyming and clear, light voice have given her a hit single, *It's a Shame*. Love entered college in London with the intention of becoming a kindergarten teacher, but then began singing poetry she had written over tapes her cousins sent from America. Her debut album, *Down to Earth*, sends a message to women about trust, reconciliation and relationships—all with an ease and restraint that might not have been possible in rap just a few years ago. "I don't try to be too heavy in my messages," says Love. "Too many rappers are too serious." In a radical break with rap tradition, Love actually smiles in her album photo.

In a more politically sophisticated manner, Queen Latifah (Dana Owens) has staked out a high ground in rap. "Guys have this macho thing where they always have to be tough—it's peer pressure," she says. "I'm trying to show people another point of view." Latifah, an electrifying performer who favors jodhpurs and large hats, delivers a spiritual message that rises above the petty issues in the war of the sexes. In *Ladies First* she raps about optimism and pride: "We are the ones to give birth/ To the new generation of prophets."

A few rappers are giving voice to a vengeful brand of radical black feminism. In a snarling, hard-core style, BWP (Bytches with Problems) bluster about date rape, male egos and police brutality—all with a fluent vulgarity. Their leather jackets and cold stares add to their image. In *Comin' Back Strapped*, the opener on their debut album, BWP avenge a sexual slur against them by returning with a loaded gun and dispatching the bighorn. In *We Want Money*, a bottom-line guide to personal relationships, they exhort their girlfriends to take from their boyfriends all they can get: "Marry you? Don't make me laugh! Don't you know all I want is half?" Says Lyndah McAskill, who, along with Michelle Morgan, makes up BWP: "We're not men-haters. We're just saying a lot of kids lack self-respect because guys have put them down."

But a whole new crew is coming up fast, including Yo-Yo (Yolanda Whitaker), 19, a sharp Los Angeleno whose *You Can't Play with My Yo-Yo* may be the most clever and forceful attack on misogyny in rap so far. What these young artists have achieved, beyond commercial recognition, is the broadening of rap's audience and a role in rap's development as an art form. Besides just offering a different attitude, women have shown that rap can be far more significant and flexible than its critics have admitted. And that makes it all the more difficult to categorize, ghettoize or otherwise dismiss. ■

History



Lost Squadron

An old Bermuda Triangle mystery may be solved

It is the stuff of legends, pulp novels and late-night reruns of *Twilight Zone*: a 140,000-sq.-mi. stretch of the Atlantic Ocean that seems to swallow unfortunate voyagers like a space-time warp. During the past 45 years, more than 100 ships and planes have disappeared in the triangular region—roughly bounded by Bermuda, Southern Florida and the Greater Antil-

les—often in circumstances as murky and mysterious as the storm-tossed sea itself.

Last week the Bermuda Triangle lost an important bit of its mystery. A New York City-based salvage company searching for Spanish galleons off the Florida coast discovered the remains of five Navy torpedo bombers that took off from a base in Fort Lauderdale on Dec. 5, 1945, and were never seen again. The planes, looking not much worse for wear, turned up in 750 ft. of water about 10 miles off Fort Lauderdale.

The story of Flight 19, the so-called Lost Squadron, was one of the cornerstones of the Bermuda Triangle myth, which was born on a slow news day in 1950. That's when an Associated Press reporter named E.V.W. Jones collated a report of various planes and ships lost off the Florida coast and put it on the wire. The story was picked up and enlarged by other news services, tabloids and magazines until the Bermuda Triangle, as it became known in the 1960s, was a cultural fixation.

The serial numbers of the recovered aircraft have not yet been verified, but one of them carries the number 28 on its side, which was the number of the flight leader's plane. The Navy may yet stake a claim, but the salvage company, Scientific Search Project, has already received a \$150,000 offer for the find's location. If it proves to be the final resting place of the Lost Squadron, it should also put to rest part of the mystique of the Bermuda Triangle. ■

Milestones

BORN. To Tatum O'Neal, 27, Oscar-winning actress (*Paper Moon*), and her husband John McEnroe, 32, temperamental tennis veteran: their third child, first daughter; in Los Angeles. Name: Emily Katherine. Weight: 7 lbs. 3 oz.

MARRIED. Sharon Gless, 47, Emmy-winning former co-star of CBS-TV's *Cagney & Lacey* and now star of *The Trials of Rosie O'Neill*; and Barney Rosenzweig, 53, producer of both series; she for the first time, he for the third; in Malibu, Calif.

ARRESTED. Joan Kennedy, 54, ex-wife of Senator Edward Kennedy; on drunken-driving charges, for the second time in three years; after police spotted her car swerving across three lanes of an expressway; in Quincy, Mass. Her blood-alcohol level was reportedly higher than the legal limit, and she had an open bottle of vodka in the car. Kennedy, who has admitted she is a recovering alcoholic, pleaded not guilty and surrendered her license.

CHARGES DISMISSED. Against Mark Ramsey, 31, and Mark Dickey, 29, former police officers in Long Beach, Calif., on trial for

police brutality in the beating of Don Jackson, 33, during a traffic stop in 1989; after the jury deadlocked; in Long Beach. The incident received national attention because a television news crew videotaped Dickey apparently pushing Jackson's head through a store window in Long Beach. Dickey claimed that Jackson, who is a black former police sergeant, had provoked him by exiting from his car and swearing. The prosecution said it would not retry the officers.

HOSPITALIZED. Molly Yard, seventyish, president of the National Organization for Women; for a stroke she suffered while working in her office; in Washington.

DIED. Shintaro Abe, 67, former Japanese Foreign Minister whose back-room clout made him a constant candidate for the prime ministership; of liver failure; in Tokyo. Known as the "Prince" of Japanese politics, Abe had to content himself with the role of kingmaker within the ruling Liberal Democratic Party after failing health and his implication in the Recruit influence-peddling scandal of 1988 relegated him to the sidelines of power.

Remember the 4 Food Groups?



Bet you never had them
like this before.



INTRODUCING BASIC 4™

A delicious blend
of wholesome grains, fruits and nuts
that with milk gives you the basic goodness
of the 4 Food Groups.

New Basic 4® Cereal.
We have seen the future, and it tastes great!





Essay

Charles Krauthammer

Hail Columbus, Dead White Male

The 500th anniversary of 1492 is approaching. Remember 1492? "In Fourteen Hundred Ninety-Two/ Columbus sailed the ocean blue." Discovery and exploration. Bolívar and Jefferson. Liberty and democracy. The last best hope for man.

The left is not amused.

In Madrid the Association of Indian Cultures announces that it will mark the occasion with acts of "sabotage." In the U.S. the Columbus in Context Coalition declares that the coming event provides "progressives" with their best political opening "since the Vietnam War." The National Council of Churches (NCC) condemns the "discovery" as "an invasion and colonization with legalized occupation, genocide, economic exploitation and a deep level of institutional racism and moral decadence." One of its leaders calls for "a year of repentance and reflection rather than a year of celebration."

For the left, the year comes just in time. The revolutions of 1989 having put a dent in the case for the degeneracy of the West, 1992 offers a welcome new point of attack. The point is the Origin. The villain is Columbus. The crime is the discovery—the rape—of America.

The attack does, however, present the left with some rather exquisite problems of political correctness. After all, Columbus was an agent of Spain, and his most direct legacy is Hispanic America. The denunciation of the Spanish legacy as one of cruelty and greed has moved one Hispanic leader to call the NCC's resolution "a racist depreciation of the heritages of most of today's American peoples, especially Hispanics."

That same resolution opened an even more ancient debate between Protestants and Catholics over the colonization of the Americas. For Catholics like historian James Muldoon, the (Protestant) attack on Columbus and on the subsequent missionary work of the (Catholic) church in the Americas is little more than a resurrection, a few centuries late, of the

Black Legend that was a staple of anti-Catholic propaganda during the Reformation.

The crusade continues nonetheless. Kirkpatrick Sale kicked off the anticelibration with his anti-Columbus tome, *The Conquest of Paradise*. The group Encounter plans to celebrate 1992 by sailing three ships full of Indians to "discover" Spain. Similar merriment is to be expected wherever a quorum gathers to honor 1492.

The attack on 1492 has two parts. First, establishing the villainy of Columbus and his progeny (i.e., us). Columbus is "the deadiest whitest male now offered for our detestation," writes Garry Wills. "If any historical figure can appropriately be loaded up with all the heresies of our time—Eurocentrism, phallocentrism, imperialism, élitism and all-bad-things-generally-ism—Columbus is the man."

Therefore, goodbye, Columbus? Balzac once suggested that all great fortunes are founded on a crime. So too all great civilizations. The European conquest of the Americas, like the conquest of other civilizations, was indeed accompanied by great cruelty. But that is to say nothing more than that the European conquest of America was, in this way, much like the rise of Islam, the Norman conquest of Britain and the widespread American Indian tradition of raiding, depopulating and appropriating neighboring lands.

The real question is, What eventually grew on this bloodied soil? The answer is, The great modern civilizations of the Americas—a new world of individual rights, an ever expanding circle of liberty and, twice in this century, a savior of the world from totalitarian barbarism.

If we are to judge civilizations like individuals, they should all be hanged, because with individuals it takes but one murder to merit a hanging. But if one judges civilizations by what they have taken from and what they have given the world, a non-jaundiced observer—say, one of the millions in Central Europe and Asia whose eyes are turned with hope toward America—would surely bless the day Columbus set sail.

Thus Part I of the anti-'92 crusade is calumny for Columbus and his legacy. Part II is hagiography, singing of the saintedness of the Indians in their pre-Columbian Eden, a land of virtue, empathy and ecological harmony. With Columbus, writes Sale, Europe "implanted its diseased and dangerous seeds in the soils of the continents that represented the last best hope for humankind—and destroyed them."

Last best hope? No doubt, some Indian tribes (the Hopis, for example) were tree-hugging pacifists. But the notion that pre-Columbian America was a hemisphere of noble savages is an adolescent fantasy (rather lushly, if ludicrously, animated in *Dances with Wolves*).

Take the Incas. Inca civilization, writes Peruvian novelist Mario Vargas Llosa, was a "pyramidal and theocratic society" of "totalitarian structure" in which "the individual had no importance and virtually no existence." Its foundation? "A state religion that took away the individual's free will and crowned the authority's decision with the aura of a divine mandate turned the Tawantinsuyu [Incan empire] into a beehive."

True, the beehive was wantonly destroyed by "semiliterate, implacable and greedy swarmsmen." But they in turn represented a culture in which "a social space of human activities had evolved that was neither legislated nor controlled by those in power." In other words, a culture of liberty that endowed the individual human being with dignity and sovereignty.

Is it Eurocentric to believe the life of liberty is superior to the life of the beehee? That belief does not justify the cruelty of the conquest. But it does allow us to say that after 500 years the Columbian legacy has created a civilization that we ought not, in all humble piety and cultural relativism, declare to be no better or worse than that of the Incas. It turned out better.

And mankind is the better for it. Infinitely better. Reason enough to honor Columbus and bless 1492. ■

Light. It is magical. Powerful. Essential.

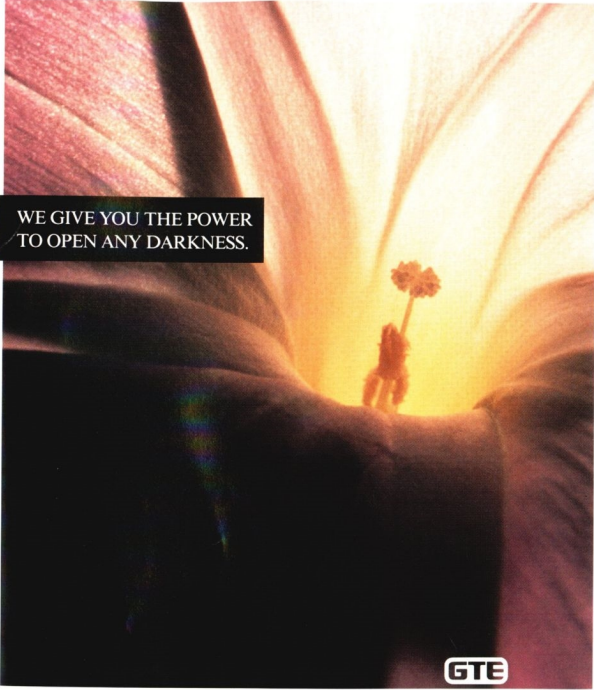
At GTE, our Sylvania engineers have introduced more lighting innovations to the U.S. than anyone in

the past ten years. Halogen lighting technology for the automotive industry, for one example.

To illuminate the facts of science, brighten the arenas of sports and

business, create the warm glow that means "home," at GTE we give you the power of Sylvania light in six thousand ways.

Because at GTE, the power is on.



**WE GIVE YOU THE POWER
TO OPEN ANY DARKNESS.**

GTE

THE POWER IS ON

PREVIA

Tell that to your kid. Chances are, in the Toyota Previa, it's an assigned seat he won't mind taking.

Nor would his brothers and sisters, or Mom and Dad. Because the Previa seats a family of seven* comfortably with plenty of breathing room in any seat. While walk-through center aisles make it easy for the entire clan to hop in and out.

The Previa also has a load of acreage for skis, bicycles, or even a dog house. Just fold up the two rear seats and presto—instant wall-to-wall space.

Up front, the contoured instrument panel complements the unique interior design of the Previa. Its sculpted center console provides easy access to the optional CD player—a nine-speaker system that assures superlative sound quality, wherever you sit.



As you can see, the Previa was built with one objective in mind. Your family's comfort.

So the next time your kids tell you they need some space, give it to 'em.

"I love what you do for me."

 **TOYOTA**

YOU ARE IN ROW 3, SEAT C.

Call 1-800-GO-TOYOTA for a brochure and location of your nearest dealer.
*Seven-passenger seating includes third row split folding seats, standard on Previa LE models; optional on other Previa models. Shown with optional Captain's Chairs, available on Previa LE models only. Get More From Life... Buckle Up! © 1990 Toyota Motor Sales, U.S.A., Inc.